



The Effect of Gamification and Price Discounts on Impulsive Buying Decisions Online on the Shopee Indonesia Mobile Application

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ABSTRACT

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Due to the growing e-commerce industry in Indonesia, many e-commerce companies including Shopee are vying to increase their competitive power to acquire consumers and increase sales transactions, one of which is by using gamification strategies and discount prices. This research method uses a quantitative approach with survey instruments then described in descriptive analysis. The results showed that gamification and price discount strategies had a significant impact on Impulsivity Buying by 47.6%. Gamification strategies help direct consumer behavior patterns to spend more time using the Shopee application and to increase price discount sales conversions are given as game completion incentives to trigger impulse buying attitudes so that sales increase

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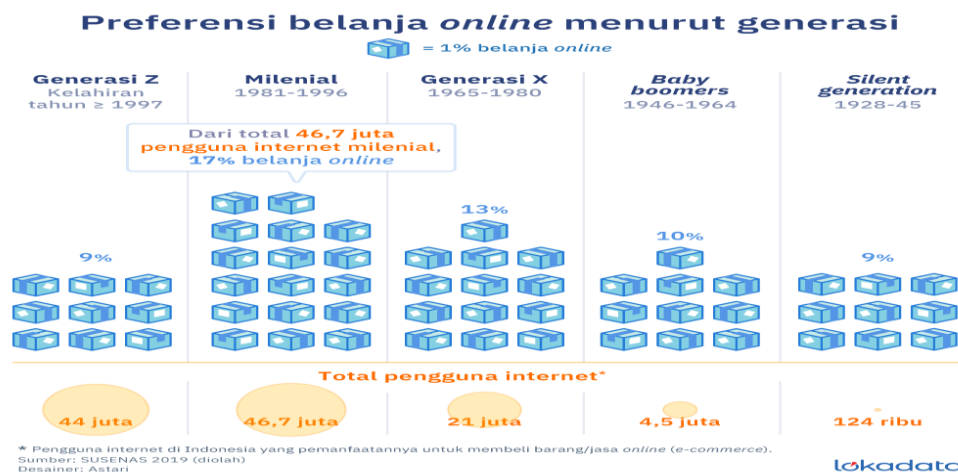
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INTRODUCTION

In the growing e-commerce industry in Indonesia, many e-commerce companies are competing to connect with consumers, one of which is by using gamification strategies and discount prices to provide more value to customers when shopping. This upward trend is dominated by Generation Z and Millennials who contribute to 85 percent of total transactions. As many as 85 percent of transactions are carried out by vulnerable consumers aged 18 years to 35 years with details, ages 18 years to 25 years (36%) and 26 years to 35 years (49%), quoted from www.alinea.id (2020). Similarly, the same thing was conveyed in the study of online shopping preferences by generation by SUSENAS 2019 quoted lokatdata.com (2020) that more than 15 million internet users who shop 11.9 million of them are GEN Z and Millennials.

Figure 1. Online shopping preferences by generation



Generation Z and Millennials are very low in loyalty levels; this is evidenced by a survey from popular.co (2022) in an article entitled "Habits of Generation Z Shopping in E-commerce". Generation Z in Indonesia is not fixated on certain brands. Referring to the results of Populix research (2020), 62.65 percent of Generation Z stated that they are not fixated on one brand when shopping. Generation Z routinely monitors the promotional media of its chosen brand to get the latest product information or hunt down just hunting for discounts so impulse buying behavior tends to be high among Generation Z consumers. Generation Z's buying behavior is less likely to plan for what they want to buy beforehand, which means they may be more receptive to experiences or offers designed to encourage impulse purchases. For example, 59 percent of Millennials and 51 percent of Gen Zers typically make a list before shopping. 36 percent of Millennials and 29 percent of Gen Z often use coupons, while 33 percent of Millennials and 27 percent of Gen Z typically check store ads to see what's on sale. Gen Z buyers are more likely to make impulse purchases (22%) than millennials (19%).

The phenomena that have been explained before have been captured by Shopee as one of the major marketplaces in Indonesia, by conducting Gamification strategies and Discount Prices to lure the market to stay afloat and buy on the Shopee platform. The utilization of Gamification will make a customer will return regularly to the Shopee application, every game completed will get a Shopee Coin that can be spent as a discount, and also on the game page, there are advertisements for funny products at very low discount prices, in the hope of buying interest instantly even if previously there were no plans to buy the item (Impulse Buying). Gamification is defined as "gamification refers to the use of game design in non-game context" (Eisingerich et al., 2019), the findings of Lea (2020), the gamification of limited time has a significant effect on impulse buying. Discount Price according to Suhardi Sigit (in Mariana, 2019:49), the discount is a comparison to the set price because the buyer meets the set conditions compared to Yin Xu & Huang's findings (2017) it turns out that the discount price gives 2 times the result of buying impulses than the price of the package. According to Manggiasih, Widiatanto, & Prabawarni (2017), unplanned purchases are purchasing behaviors in which consumers do not consider buying, or are considering buying but have not yet decided what products to buy.

This research will try to uncover the influence of gamification and price discounts when combined to be a trigger factor for impulse buying to increase Shopee sales as well as a step to keep Shopee customers an option when shopping.

RESEARCH METHOD

This research will address issues related to the influence of gamification and price discounts on impulsive online purchasing decisions on Shopee application users in Bandung City. In this study, researchers used quantitative data types and sources, for the sample selected in this study amounted to 100 consisting of Shopee application users in the city of Bandung. This research sampling method uses nonprobability sampling techniques. Primary data in this study was obtained through questionnaires, while secondary data was obtained from journal publications and textbooks. The data analysis used is a descriptive analysis by adopting several linear regression analysis techniques using SPSS25 for Windows software.

RESULTS AND DISCUSSIONS

Regression analysis is used to determine the existing relationships between variables. This makes it possible to deduce a variable when knowing the price value of another variable of the acquired relationship. The regression model equation used by the author is a multiple regression analysis equation. The regression equation model uses several linear regression analyses shown below.

Table 1. Multiple linear regression

		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	4.636	1.477		3.140	0.002
	GAMIFICATION	0.030	0.053	0.048	0.559	0.577
	PRICE_DISCOUNT	0.473	0.061	0.663	7.694	0.000

a. Dependent Variable: IMPULS_BUYING

$$Y = 4,636 + 0,030X_1 + 0,473X_2 + e$$

The constant value of 4.636 means that a dependent variable that is an impulsive buying variable is worth 4.636 if the gamification variable and the price discount variable are considered constant (value 0). In other words, if the gamification value and price discount do not change, the value of impulsive purchases also does not change.

If the regression coefficient value of the gamification variable shows 0.030, this means that the gamification variable increases by one (1), and the other independent variable, the price discount variable, is considered constant (value 0). Variables whose dependent variables are impulsive buying variables of 0.030. A positive sign for the regression coefficient value indicates that gamification has a positive effect on impulsive buying. This means that the higher the gamification, the higher the impulsive purchase, and vice versa.

If the regression coefficient value of the price discount variable shows 0.473, this occurs when the price discount variable increases (1) and another independent variable i.e. the gamification variable is considered constant (value 0). The bound variable, the impulsive buying variable, rose by 0.473. A positive sign for the value of the regression coefficient indicates that the price discount has a positive effect on impulsive purchases. In other words, the better the price discount, the higher the impulse purchase, and vice versa.

Table 2. Simultaneous hypothesis

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	155.833	2	77.916	44.055	.000 ^b
	Residual	171.557	97	1.769		
	Total	327.390	99			

a. Dependent Variable: IMPULS_BUYING

b. Predictors: (Constant), PRICE_DISCOUNT, GAMIFICATION

Based on the analysis in the table above, based on the significant value in the following case if below < 0.05 is called an effect. In the table above, it can be seen that the important value is 0.000. Therefore, from the value of its importance, we can conclude that gamification and discounting affect impulse purchases at the same time.

Tabel 3. Determination coefficient

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.690 ^a	0.476	0.465	1.32990

a. Predictors: (Constant), PRICE_DISCOUNT, GAMIFICATION

From the results shown in the table above, the square of R in this study was 0.476 or 47.6%. This means that impulse purchases are affected by gamification and a 47.6% discount. The remaining 52.4% or 0.524 were influenced by variables or other factors not studied.

CONCLUSION

The conclusion of this study found that Gamification and Price discounts affected the formation of Impulsivity in Buying on Shopee's online shopping platform. This can happen because these 2 variables make consumers visit regularly on the Shopee platform which makes them directly or indirectly see various attractive offers at random with various product choices that are currently promoting price discounts so that there is an impulsive desire to buy these items that may not even be needed.

Cumulatively, the influence exerted by gamification and price discount variables on the formation of Impulsive Buying is 47.6%. But if we look deeper into the coefficient table on the regression test, the t value and the largest coefficient value is Price Discount so it can be concluded second that Shopee can increase impulsive buying by increasing the price discount strategy, not necessarily enlarging the discount but making it look bigger or more appropriate value with bundling product plus price discount. Shopee has the potential to increase interaction with customers to increase sales and brand loyalty, so it highly recommends further research on discussing the perspective of Brand Loyalty, Repurchasing, Customer Satisfaction, CRM, etc.

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