

# **BUSINESS: Scientific Journal of Business and Entrepreneurship**

Volume 1 Nomor 2 Tahun 2023 https://journal.csspublishing/index.php/business

# The Influence of Flash Sale Discounts on the Shopee Platform on Purchasing Decision in Management Students B Stambuk 2022 UNIMED

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#### Abstract

E-commerce has experienced rapid growth in Indonesia in recent years, fundamentally transforming the way people in the country shop. The continued expansion of ecommerce in Indonesia holds great promise, offering substantial benefits to both businesses and consumers. Among the myriad offerings of e-commerce is the enticing concept of flash sales, where consumers can avail themselves of products at reduced prices or take advantage of time-limited discounts. This research adopts a quantitative methodology with a sample size of 30 respondents. The primary aim of this study is to examine the impact of flash sales on the purchasing decisions of Management students in Group B at Medan State University. The findings indicate a significant correlation between discount flash sales on the Shopee platform and the purchasing decisions of Management students in the 22nd Stambuk of 2022 at UNIMED. Flash sales are a prominent marketing strategy frequently employed by e-commerce platforms to attract and engage customers, offering considerable benefits to consumers who can access products at reduced prices within a limited timeframe. This approach also yields positive outcomes for companies, ensuring effective business operations. While this journal acknowledges potential imperfections resulting from author insights, we earnestly welcome suggestions and constructive criticism from readers to enhance its

Keywords: E-Commerce; Flash Sale; Purchasing Decision

## INTRODUCTION

This technological development spurs a breakthrough to innovate business activities. Technological developments spontaneously require every business person to develop fields in support of business activities that the amount of E-commerce that is now spread on social media (Supriyanto *et al.*, 2023). E-commerce has experienced rapid growth in Indonesia in recent years and has changed how Indonesians shop. With the continued development of technology and good government support, E-commerce in Indonesia has great potential to continue to grow and benefit both business and consumers. Increased technological support and wider internet have been major growth factors for the sector. Many large E-commerce companies such as Tokopedia, Shopee, and Lazada have captured significant market share in Indonesia. In addition, E-commerce also offers attractive business opportunities for Indonesian

entrepreneurs. By opening an online store, they can reach out to consumers across Indonesia without having stores in each region, this provides an opportunity for UMKM to grow and compete in big companies. Indonesia is a country where people use E-commerce more to fulfil their daily needs (Setiawan and Supriyanto, 2023). By using E-commerce, they can shop online without the need to travel, make physical contact with the seller and also ease transactions in the form of non-cash. According to the result of Digital 2022 Global Review report survey, Indonesia is the fifth-ranked E-commerce user with a percentage of 36%, with the first rank in Thailand at 45,8%, the second rank in South Korea at 43.1%, the third rank in Mexico at 43.1%, and the fourth rank in Turkey with 38.9% (Databoks, 2022).

Shopee is one of the E-commerce platforms in Indonesia. Shopee was founded in 2015. Shopee offers variety products, from fashions, electronics, beauty, food, and drinks. On the Shopee platform, there are various advantages to its features. With the various features and advantages of the offer, Shopee has become one of the most popular online shopping platforms in Indonesia. Shopee continues to develop and provide better shopping experience for its users. One of the reason why Shopee leads the E-commerce competition in Indonesia is that Shopee focuses its promotions and marketing on discount and special offers to encourage customers to shop with Shopee. Some of the promotions that usually runs are Flash Sale. Flash sale in an E-commerce business model where the website offers a selection of products in limited quantities at discounted prices for a short period, usually 24 to 36 hours.

According to (Vannisa et al., 2020), flash sale is a sales system in E-commerce whose operations are carried out by offering low prices through discounts, but these prices are only valid for predetermined time. Flash sale activities are often carried out during major holidays such as Eid al-Fitr, New Year, Chinese New Year, Christmas or any other holidays celebrated to increase sales. Another unique thing about Shopee is that users have a notification feature that will appear 10 minutes before the flash sale starts so that consumers don't miss the offers that will be given. Consumers are attracted to flash sale because they feel they have to get a cheaper price than they should. The flash sale strategy also creates a sensation of consumer urgency to encourage more customers to buy (Nafira and Supriyanto, 2022). Some of the research above regarding the influence of flash sale discounts on consumer purchasing decisions on the Shopee platform is interesting to examine. Several previous studies have also provided various research result on this matter. The autor has choses two journals whose contents follow the research conducted, which will be the research gap for this study. The first journal is titled "The Influence of Discounts and Free Shipping Promos on Purchasing Decisions on Shopee E-Commerce" which states significant results regarding the influence of discounts on purchasing decisions in Shopee E-commerce (Dewa, 2022). In the second journal (Hesti, 2022) with the title "The Effect of Price, Product Quality, and Risk on Decisions and Purchases Using Flash Sale Shopee FEBI Students f Sunan Ampel Surabaya State Islamic University" obtained the results based on the results of the t-test or partially showed that price had no partial influence on purchasing decisions using flash sale. According to these two journals, the author conduct to blend of research focusing on the Effect of Flash Sale Discounts on Purchasing Decisions on the Shopee Platform in Management Students B 22 State University of Medan. The purpose of the authors of this study is to find out the partial influence or simultaneous influence of flash sale discount on the Shopee platform on consumer purchasing decisions in Management Students B 22 at Medan State University.

## LITERATURE REVIEW

#### Flash Sale

The flash sale promotion model is marketing model that provides discount for a limited time. Provides promotional services for a limited time and model promotion directs consumers to make purchases quickly. Flash sale is part of sales promotions that provide special offers and discounts for a particular product in a short and limited time (Agrawal and Sareen, 2016). Flash sale discount is a direct discount on the price of goods directly on purchasing a certain number of goods in a certain period (Kotler and Keller, 2009). The existence of discounts can stimulate consumers to make purchases from these consumer transactions and will have an impact on increasing sales of certain products. Discounts have the power in the bargaining process for product it will create price fairness (Darke and Chung, 2005). Flash sale is a special offer between 24-36 hours on certain products to encourage consumers to buy a product (Agrawal and Sareen, 2018). The purpose of flash sale is to sell a limited number of products at a relatively low price (Saputri and Ramdan, 2020). Flash sale is a discount or promotion by E-commerce for a short period (Big Commerce, 2015). Flash sale is popular E-commerce marketing model where companies, especially internet-based ones, sell a limited number of new products or services at a discounted price at a certain time before the normal time (Zhang, 2018). It can be concluded that flash sale is one of the marketing methods with offers in the form of discounts on certain products and limited period.

#### Indicator flash sale

Flash sale indicators in sales promotions (Kotler and Keller, 2018) are as follows:

- 1. Promotion frequency is the number of flash sale promotions carried out within a sales promotion media time.
- 2. Promotion quality is a benchmark for how well a flash sale promotion is carried out
- 3. Promotion time is the time provided during the flash sale program.

4. The accuracy and suitability of the promotions is the target promotion's important factor in the flash sale promotion needed to achieve the desired target.

#### **Purchase Decisions**

The Purchase decision is the stage of the purchasing decision-making process where consumers buy. Decision-making is an individual activity directly involved in obtaining and using the goods offered (Kotler and Amstrong, 2003). A purchasing decision is a process where the buyer knows the problem, seeks information about a particular product an brand, evaluates several alternatives that can be used to solve problem and then leads to a purchase decision (Tjiptono, 2018).

Purchasing decision is a process by which a consumer searches for information about a particular product and assesses how attractive the related options are, then leads to a purchasing decision. Purchasing decisions are the behaviour of consumers in purchasing goods and services. Indicators that can influence buyers' decisions include promotion, advertising, prices, and consumers' ability to buy. Thus, producers must be responsive about their consumers are increasingly selective in purchasing. Therefore, more creative and innovative promotions are needed. Marketplaces such as Shopee, Tokopedia, and Lazada have provided promotions called flash sale. This promotional model is built to attract consumers to view and make purchases within a limited period.

## RESEARCH METHODS

This research is quantitative. Two types of variables in this research: dependent variable and independent variable. The dependent variable is the buyer's decision. The independent variable is the flash sale discount. The population this study were 43 students using the Shopee application in the Management B class. This sampling used Non-probability sampling technique. Non-probability sampling is a technique of sampling that does not provide an equal opportunity or chance for each element or member of the population to be selected as a sample. Sampling in this research was carried out using the Purposive Sampling Technique. The sample criteria in this research are Management B UNIMED students who have made purchases on the Shopee application at least once. In determining the sample size using the Isac and Michael calculation formula.

$$n = \frac{N}{1 + N(d)^2}$$

Where:

n = number of samples

N = number of populations

d = error tolerance limit of 10%

$$n = \frac{43}{1 + 43(0,1)^2}$$

$$n = \frac{43}{1,43}$$

$$n = 30.0699300699 = 30.$$

From the result of the calculations above, the sample used was 30 respondents. The data collection method used in this study is to distribute questionnaires, namely Google Forms, to collect responses from respondents, then used as data for this research that will be tested using SPSS.

# RESULT AND DISCUSSION Validity Test

A validity rest is used in this study to determine if each item on the variable is accurate or valid. The validity test result can be declared valid if each item has Sig. value <0,05. By using SPSS, the result of each item on the discount and purchase decision variable as a whole are significant <0,05, namely 0,000 <0,05 Indicating that the scale used in this study is accurate or valid.

# **Reliability Test**

The reliability test is used to measure each instrument used in research and has consistency if measurements are made with the questionnaire in measuring the same concept or the same variable. A variable is declared reliable if the Cronbach's Alpha coefficient value is >0,70 (Ghozali,2016)

Tabel 1 Reliability statistics

Cronbach'alpha	N of items	
.832	6	

Source: SPSS 26 Data Processed, 2023

The result of the reliability test show the Cronbach's Alpha coefficient value 0,832 > 0,70. So it is stated that this reliability test can be called reliable.

# **Simple Linear Regression Test**

Simple linear regression test is statistical analysis used in testing the relationship between two variables, namely the independent and dependent variable. The aim is to determine the extent to which the independent variable affects the dependent variable and whether between variables have significant relationship.

In the table, the value of R is a symbol of the coefficient where the value of R can be interpreted as the relationship between the two research variables in the

sufficient category. From the table obtained R=82,7%, it can be interpreted that the flash sale discount has an influence of 82,7% on the purchase decision.

Table 2 Coefficient Model summary

Coefficient 1/10del 5diminuty						
Model	Model R R Square		Adjusted R	Std. Error of the		
			Square	estimate		
1	.827a	.683	.672	2.79999		

Source: SPSS 26 Data Processed, 2023

# **Significant Test**

Table 3 Anova<sup>a</sup>

Model	Sum of squares	Df	Mean square	F	Sig.
1 Regression	473.682	1	473.682	60.419	.000ь
Residual	219.518	28	7.840		
Total	693.200	29			

Source: SPSS 26 Data Processed, 2023

This significant test table is used for the significance level of the regression, with the Sig. value criterion < 0.05. Based on the table above, the Sig. 0.000 < 0.05. It means that regression equation model based on the research data is significant or the regression equation model has met the criteria.

# **Simple Regression Coefficient**

Table 4
Simple Regression Coefficient

model	Unstandardized B	Coefficient Std.Error	Standardized Coefficien Beta	t	Sig.
1. (Constant)	.521	3.496		.149	.883
Discount flash sale	1.126	.145	.827	7.773	.000

Source: SPSS 26 Data Processed, 2023

The result of calculation of the simple regression coefficient above show that the constant coefficient value is 0,521 while the independent variable X is 1,126. So, the regression equation is Y=0,521+1,126X. Based on above equation, it is known that constant value is 0,521 which means if the constant value of independent variable (discount flash sale) is 0. It can be said that the purchase

decision has a value of 0,521. Furthermore, because the constant value of the independent variable is positive (1,126) it illustrates that they direction of the relationship between the independent variable, namely the purchase decision is unidirectional, where each one unit increase in the discount flash sale variable will cause an increase in purchasing decision by 1,126.

#### **Correlation Test**

The correlation result of discount flash sale on purchasing decision

Table 5 Correlations

		Discount flash sale	Keputusan pembelian
Discount flash	Pearson	1	.827**
sale	Correlation		
	Sig.(2-tailed)		
	N	30	30
Keputusan	Pearson	.827**	1
pembelian	Correlation		
	Sig.(2-tailed)	.000	
	N	30	30

Source: SPSS 26 Data Processed, 2023

Correlation is a statistical method used to measure the extent of the relationship or linear relationship between two or more variables. Correlation measures the direction and strength of the relationship between the variables. In the context of simple linear regression mentioned earlier, correlation is one of the aspects analysed to understand the relationship between the independent variable and dependent variable. A variable can be said to be correlated if it fulfils the criteria, namely the Sig. value <0.05. From the analysis results, it can be concluded that the discount flash sale variable is correlated with purchasing decision because of the Sig. value =0.000 > 0.05. So, the criteria are met. Then to interpret the strength of the relationship between the two variables is done by looking at the correlation coefficient number of the calculation results using the interpretation of the R values:

0 : no correlation between variables

> 0 - 0,25 : correlations is very weak > 0,25 - 0,5 : sufficient correlation > 0,5 - 0,75 : strong correlation

> 0,75 - 0,99 : correlation is very strong 1 : correlation is perfect

# Notes:

The (+) or (-) sign only indicates the direction of the relationship The largest R value is +1 and the smallest R is -1

R = +1 indicates a perfectly positive relationship

R = -1 indicates a perfect negative relationship

From the analysis above that 30 respondents produced a correlation of 0.827 and this value is in the range between > 0.75 - 0.99 = very strong. So, it can conclud that the discount flash sale and the purchasing decision have a solid correlation relationship.

#### T test

Table 6 Hypothesis test

model	Unstandardized B	Coefficient Std.Error	Standardized Coefficien Beta	t	Sig.
2. (Const ant)	.521	3.496		.149	.883
Discount flash sale	1.126	.145	.827	7.773	.000

Source: SPSS 26 Data Processed, 2023

# Hypothesis formulation

H<sub>0</sub>: there is no influence between discount flash sale on purchasing decision H<sub>1</sub>: there is influence between discount flash sale on purchasing decision

The value of the significant t table for 5% (df = 28 i.e. 30 - 2) = 2.04841 The result of t count obtained using SPSS 26 for windows is 7,333

# **Decision-making**

If t count larger than t table then  $H_1$  is accepted and  $H_0$  is rejected. From the result of the calculation of t count of 7,773 is greater than t table 2,04841 at significant level of 5%. So, 7,773 > 2,04841 then  $H_1$  is accepted and  $H_0$  is rejected.

Conclusion. It can be concluded that variable X has a significant influence on variable Y. From the results of hypothesis testing, it is proven that "there is significant influence between the discount flash sale on purchasing decision".

# Determinant Coefficient (r2)

Table 7
Model summary

model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.827a	.683	.672	2.79999

Source: SPSS 26 Data Processed, 2023

## **Discount Flash Sale**

after  $r_{count}$  is known to be 0,827, next find out how much influence variable X has on variable Y using the coefficient of determination  $r^2$  that is expressed in percentage.

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R^{2} = (0.827)^{2} \times 100\%= 0.683 \times 100\%= 68.3\%
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From the result of the above calculation, it can be concluded that there is a influence of variable X on variable Y of 68,3% and the remaining 31,7% is influenced by other factors such as service, free shipping provided by Shopee and so on. Based on the results of the analysis that has been carried out, the results show that the variable (X) discount flash sale on Shopee platform has a significant influence on the variable (Y) purchasing decision for Management students B 22 UNIMED. This is indicated because of the results of the product-moment correlation analysis of 0,827 compared to the  $r_{table}$  of a significant level of 5% N= 30 of 0,361. So, if the  $r_{count}$  is greater than the  $r_{table}$ , then the result can be obtained in the form of  $H_0$  rejected and  $H_1$  is accepted. With a coefficient of determination of 68.3% rounded up to 68% which has a positive influence, meaning that 68% of purchasing decisions on Management students B stambuk 22 UNIMED are influenced by discount flash sale on Shopee platform. While 32% are influenced by other factors such as service to consumers, product quality, returns, timeliness in shipping goods and so on.

From the results of the t-test analysis, it is known that there is a significant influence of the variable (X) discount flash sale and variable (Y) purchasing decision. This is evidenced by the results of the t-test calculation 0f 7,733, while the t-table is 2,04841 at the 5% significant level, which means that  $H_1$  is accepted. In addition, the regression equation Y=0,521+1,126X was also obtained. The equation is by the simple regression formula, Y=a+bx, where Y is the symbol of the dependent variable, a is a constant, and b is the regression coefficient for the independent variable (X). So, it can be concluded that there is an influence between variable X and variable Y. in the other words, accept  $H_1$ : there is the influence of discount flash sale on the Shopee platform on purchasing decision for Management students B 22 UNIMED.

## **CONCLUSION**

The results show that the discount flash sale on the Shopee platform has a significant influence on purchasing decisions for Management students B 22 UNIMED. Flash sale is one of the marketing models that E-commerce often used to attract customers. Consumers also get good benefits from this offer. We can buy goods or products at a low price even though it is for a limited time. This also has a positive impact on the company so that the company can run well. The writing of this journal is not perfect due to the lack of insight form the

author. Therefore, we are very open to suggestions and criticism from readers for the sake of the perfection of this journal. The authors hope that this journal can be useful to all of us.

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