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# The Influence of Life Style, Product Diversity and Sales Promotions on Purchasing Decisions among Shopee Online Store Customers in Ambon City

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# ARTICLEINFO

## ABSTRACT

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The research uses associative research, namely a type of research that aims to analyze the relationship between one variable and other variables. The population in this research is consumers who have made purchases at the Shopee online store. The sample in this research was 100 respondents. The sampling method uses purposive sampling, which is adjusted to the research objectives or problems with the criteria of consumers who are active and have made purchases using the Shopee application. The data collection tool uses a questionnaire which has been tested for validity and reliability and then tests the quality of the data by assessing the outer model or measurement model and the inner model or structural model which is calculated using PLS, and the analysis method in this research uses the Partial Lest Square (PLS) analysis method. The results of this research show that Lifestylepositive influence onbuying decisiononShopee online shop in Ambon City, Product Diversity noinfluence onbuying decisiononShopee online store in Ambon City, and Sales Promotionspositive influence onbuying decision onShopee online shop in Ambon City.

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# 1. INTRODUCTION

The current rapid development of technology and information in society makes daily activities easier and more practical, one of which is the internet. In line with technological developments, many companies have emerged operating in the trade sector, one of which is E-commerce. E-commerce according to David Baum (1999) is a set of technologies, applications and dynamic business processes to connect companies, consumers and society through electronic transactions and the exchange of goods, services and information carried out electronically. Shopeeis an online Marketplace application for buying and selling on mobile phones easily and quickly. Shopee offers a variety of products ranging from fashion products to products for daily needs. Shopee is an e-commerce company under the auspices of the SEA Group, an internet company in Southeast Asia. Shopee was first introduced in Singapore in 2015, followed by Malaysia, the Philippines, Taiwan, Thailand, Vietnam and Indonesia. (Simanjuntak, Londa, and Waleleleng 2019).

Purchasing decisions are often made by people who like to shop online. Usually, impulse purchases often occur among consumers who are influenced by the environment around them. Consumers have different shopping experiences, whether to fulfill their needs or just want to fulfill their desires.

Consumers often shop online spontaneously on the Shopee application. Apart from making it easier for consumers to shop and also saving time, there are internal factors that can influence purchasing decision behavior, namely lifestyle factors.

The diversity of products offered by the Shopee online store is a consideration for consumers when making online purchases. Consumers will be faced with many choices ranging from type, price, color, size and availability of the product according to what they are interested in.

So, from the above background, researchers are interested in conducting research with the title "The Influence of Lifestyle, Product Diversity and Sales Promotion on Purchasing Decisions of Shopee Online Store Customers in Ambon City".

#### 2. RESEARCH METHODS

This research is causal associative research using a quantitative approach. Quantitative research is a method for testing theories consisting of variables and measured with data. This research was conducted in Ambon City, Maluku.

Population this research, customers of the Shopee online shop have made purchases on the Shopee application with a sample of 100 respondents. Then the types of data and data sources, researchers use quantitative data types with primary data sources.

The data collection technique used in this research was by distributing questionnaires. According to Umar (2013: 49), a questionnaire is a collection of data by providing or distributing a list of questions/statements to respondents in the hope of providing responses to the list of questions.

To measure the variables of this research, operational definitions are really needed. Operational definitions can be interpreted as implementation instructions for how to measure a variable(TM & R., 2005).

This research uses two variables, namely the dependent variable (dependent variable) according to Ghozali (2017) in(Ningtyas, 20014). And the independent variable (independent variable) according to Ghozali (2017) in(Ningtyas, 20014)An independent variable is a variable that is not influenced by other variables. The dependent variables in this research are lifestyle, product diversity, and sales promotions. Then the independent variable in this research is the purchasing decision.

In this study, a measurement scale was used in this study using a Likert Scale.

Table 1. Likert Scale.

Pertanyaan/Pernyataan	Skor		
Sangat Setuju	5		
Setuju	4		
Kurang Setuju	3		
Tidak Setuju	2		
Sangat Tidak Setuju	1		

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Then test the quality of the data by assessing the outer model or measurement model and the inner model or structural model calculated using PLS, and the analysis method in this research uses the Partial Lest Square (PLS) analysis method.

# 3. RESULTS AND DISCUSSION

## Data Quality Test Results

Validity testing is carried out using measurement model evaluation (outer), namely using convergent validity. Convergent validity of the measurement model with reflexive indicators can be seen from the correlation between each indicator score and the structure score(Ghozali, 2006). An individual reflexive measure is said to be high if it correlates more than 0.70 with the variable to be measured, however according to Chin (1998) for research in the early stages of developing a measurement scale a value of 0.5 to 0.6 is considered sufficient.

Cross-loadings (Monofactorial manifest variables / 1):								
Lifestyl	Product	Sales	Buying					
e	Diversit	promotio	decision					
	У	n						
0.8971	0.4075	0.5235	0.6416					
0.9093	0.4347	0.5212	0.5805					
0.7108	0.4108	0.4942	0.3840					
0.4474	0.7876	0.4713	0.3548					
0.3349	0.8766	0.4167	0.3657					
0.4133	0.8778	0.5358	0.4480					
0.4028	0.7071	0.3635	0.3165					
0.4006	0.4825	0.5887	0.3751					
0.4333	0.5019	0.7978	0.5516					
0.4207	0.4721	0.7591	0.4847					
0.5181	0.3897	0.8474	0.6361					
0.4980	0.3336	0.7767	0.6747					
0.5662	0.4157	0.6279	0.8372					
0.5007	0.4108	0.6401	0.8838					
0.5520	0.3265	0.5446	0.8506					
0.5067	0.3795	0.6612	0.8087					
0.5909	0.3837	0.5923	0.7951					
	Lifestyl e 0.8971 0.9093 0.7108 0.4474 0.3349 0.4133 0.4028 0.4006 0.4333 0.4207 0.5181 0.4980 0.5662 0.5007 0.5520 0.5067	Lifestyl Product   e Diversit   y 0.4075   0.9093 0.4347   0.7108 0.4108   0.4474 0.7876   0.3349 0.8766   0.4133 0.8778   0.4028 0.7071   0.4006 0.4825   0.4333 0.5019   0.4207 0.4721   0.5181 0.3897   0.4980 0.3336   0.5662 0.4157   0.5007 0.4108   0.5520 0.3265   0.5067 0.3795   0.5909 0.3837	Lifestyl Product Diversit Sales promotio   e Diversit promotio   y n   0.8971 0.4075 0.5235   0.9093 0.4347 0.5212   0.7108 0.4108 0.4942   0.4474 0.7876 0.4713   0.3349 0.8766 0.4167   0.4133 0.8778 0.5358   0.4028 0.7071 0.3635   0.4006 0.4825 0.5887   0.4333 0.5019 0.7978   0.4207 0.4721 0.7591   0.5181 0.3897 0.8474   0.4980 0.3336 0.7767   0.5662 0.4157 0.6279   0.5007 0.4108 0.6401   0.5520 0.3265 0.5446   0.5067 0.3795 0.6612   0.5909 0.3837 0.5923					

Table 2. Convergent Validity

Source: Primary data processed, 2023

The indicators used to measure lifestyle variables have a correlation between 0.7108 to 0.9093, more than the recommended value of 0.500, indicating that questions about lifestyle can be said to be valid. The correlation range of indicators for measuring product diversity variables is 0.7071 to 0.8778, more than the recommended value of 0.500, indicating that questions about product diversity can be said to be valid. Indicators for measuring the sales promotion variable have a correlation range between 0.5887 to 0.8474, more than the recommended value of 0.500, indicating that questions about sales promotion can be said to be valid. The measurement indicator for the purchasing decision variable is 0.7951 to 0.8838, more than the recommended value of 0.500, indicating that questions about sales promotion can be said to be valid.

	Gaya Histap	Keragaman Produk	Promosi Penjualan	Kepunusan Pembelian	Mean Communalities (AVE)
Gaya Hidup	1	0,2381	0,3621	0,4238	0,7123
Keragaman Produk	0,2381	1	0,3073	0,2121	0,6648
Promosi Penyaalan	0,3621	0,3073	1	0,5417	0,5761
Keputusan Pembelian	0,4238	0,2121	0,5417	1	0,6983
Mean Communalities (AVE)	0,7123	0,6648	0,5761	0,6983	0

# **Table 2.** Discriminant Validity ResultsDiscriminant validity (Squared correlations < AVE) (Dimension 1):</td>

Source: Primary data processed, 2023

Based on the results of this table, the AVE value of the lifestyle variable is 0.7123 and the square of the correlation of the lifestyle variable with other variables (first row in the table) is smaller than the lifestyle AVE. The AVE value of product diversity is 0.6648, the square of the correlation of the product diversity variable with other variables (second row in the table) is smaller than the AVE of product diversity. The AVE value of sales promotion is 0.57661, the square of the correlation of the sales promotion variable with other variables (third row in the table) is smaller than the AVE of sales promotion. The AVE value of purchasing decisions is 0.6983, the square of the correlation of the purchasing decision variable with other variables (fourth row in the table) is smaller than the AVE of purchasing decisions. These results indicate that the variables in this study have good discriminant validity.

Table 3. Reliability Test Results									
	Composite Reliability Information								
Lifestyle	0.8822	Reliable							
Product	0.8876	Reliable							
Diversity									
Sales promotion 0.8719 Reliable									
Buying decision 0.9204 Reliable									
0		a a d. 0000							

Source: Primary Data processed, 2023

The Lifestyle variable has a Composite Reliability value of 0.8822. This value is above 0.70 as the cutoff value, so all questions about lifestyle are reliable. Meanwhile, the product diversity variable has a Composite Reliability value of 0.8876 (above the cutoff value), so all questions about product diversity are reliable. Then the Sales Promotion variable has a Composite Reliability value of 0.8719 (above the cutoff value) so all questions about Sales Promotion are reliable. Furthermore, the purchasing decision variable has a Composite Reliability value of 0.9204 (above the cutoff value) so all questions are reliable.

## R Square Test Results (R2)

Model assessment with PLS begins by looking at the R-square for each dependent latent variable. Changes in the R-square value can be used to assess the influence of certain independent latent variables on whether the dependent latent variable has a substantive influence.

Table 4. R Square Value (R2) (Purchase
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R²	F	Pr > F	Critical Ratio (CR)				
0.6097	49.9780	0.0000	11.7354				
Source: XLSTAT PLS PM 2023 output.							

The table above shows that the R2 value of the purchasing decision structure is 0.6097. The higher the R2 value, the greater the explanatory power of the independent variable over the dependent variable, and thus the better the structural equation.

#### **Hypothesis Test Results**

Latent Variable	Value	Т	Pr >  t	Critical Ratio (CR)	Hipotesis
Promosi Penjualan	0,5383	6,2537	0,0000	7,6968	Diterima

Table 5. Inner W	eights Results	(Purchase Decision)
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Latent Variables	Value	Q	Pr >  t	Critical Ratio (CR)	Hypothesis		
Lifestyle	0.3255	3.9657	0.0001	4.1395	Accepted		

#### Source: XLSTAT PLS PM 2023 output

The first hypothesis (H1) states that lifestyle has a positive effect on purchasing decision performance. Table 4.13 above shows that lifestyle influences purchasing decisions. The influence of lifestyle variables influences purchasing decisions (0.3255) and is significant at 0.0001 (3.9657 > 1.658).

Table 6. Inner Weights Results (Purchase Decision)

Latent Variable	Value	т	$\Pr > \left  t \right $	Critical Ratio (CR)	Hipotesis
Keragaman Produk	0,0033	0,0415	0,9669	0,0454	Ditolak

# Source: XLSTAT PLS PM 2023 output

The second hypothesis (H2) states that product diversity has no effect and is not significant on purchasing decisions. Table 4.14 above shows that product diversity has no effect on purchasing decisions. The effect of the product diversity variable on purchasing decisions is (0.0033) and is not significant at 0.9669 (0.0415 < 1.658).

Table 7. R	esults o	f Inner	Weights	(Purchasing Decisions)	
-					

Latent Variable	Value	т	$\mathbf{Pr} \geq  t $	Critical Ratio (CR)	Hipotesis
Promosi Penjualan	0,5383	6,2537	0,0000	7,6968	Diterima

# Source: XLSTAT PLS PM 2023 output

The third hypothesis (H3) states that sales promotions have a positive effect on purchasing decisions. Table 4.15 above shows that sales promotions influence purchasing decisions. The influence of sales promotions on positive purchasing decisions (0.5383) and significant at 0.0000, (6.2537 > 1.658).

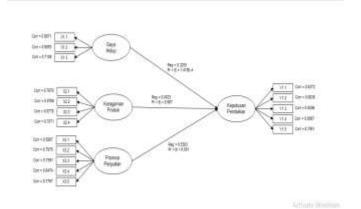


Figure 1. Full Model Results

#### 4. CONCLUSION

Based on the results of this research and the discussion in the previous chapter, the following conclusions can be drawn: Lifestyle has a positive and significant influence on purchasing decisions at the Shopee online store in Ambon city. Product diversity has no influence and is not significant on purchasing decisions at the Shopee online store in Ambon city. Sales promotions have a positive and significant effect on purchasing decisions at the Shopee online store in Ambon city.

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