**Exploring the Influence of Product Variety, Customer Reviews, and Promotions on Purchase Decisions: A Study on Shopee Indonesia**

**Petra Yezkiel Tobing**

Fakulty of Business, President University, Bekasi, Indonesia

petra.tobing@student.president.ac.id

**Agus Fernando**

Fakultas Bisnis, President University, Bekasi, Indonesia

agus.fernando@president.ac.id \*

**Abstract**

**Purpose:** This study examined the impact of product variety, customer reviews, and promotional strategies on consumer purchase decisions with the mediating effect of purchase intentions on Shopee, a leading e-commerce platform in Indonesia. The research also evaluates the implications of these factors in the competitive context of Indonesia’s e-commerce sector. **Methods:** A quantitative research methodology was employed, collecting data from 128 eligible respondents in the Greater Jakarta area using purposive sampling. Structural equation modeling (SEM) was utilized for hypothesis testing, alongside statistical analysis using SmartPLS to evaluate the relationships among product variety, customer reviews, promotions, purchase intentions, and purchase decisions. **Results:** The findings indicate that product variety and promotional strategies significantly influence purchase intentions, with promotions being particularly effective in driving consumer behavior. Conversely, customer reviews did not show a statistically significant impact on purchase intentions in this study. Purchase intentions were strongly predictive of actual purchase decisions, emphasizing their mediating role in consumer behavior. **Conclusion:** The study underscores the importance of product variety and promotional strategies in shaping consumer purchase decisions on Shopee. E-commerce platforms should prioritize personalized product recommendations and targeted promotions to enhance consumer engagement. Furthermore, the findings suggest that platforms like Shopee need to improve the authenticity and usability of their review systems to build consumer trust and foster long-term loyalty

**Keywords:** product variety, customer reviews, promotional strategies, purchase intentions, e-commerce

# 1. Introduction

The digital revolution has transformed how people shop, particularly in Indonesia, where online shopping has become a major force in the retail sector. E-commerce platforms such as Tokopedia, Bukalapak, and Shopee began gaining popularity in 2016, and Indonesia’s e-commerce market is projected to grow rapidly, reaching USD 59.36 billion by 2025. The increased popularity of online shopping is driven by the convenience of shopping from home, the ease of comparing prices, a wide variety of product choices, and the abundance of user reviews that help consumers make decisions. Technological advancements such as mobile commerce, secure payment systems, and personalized shopping experiences have further accelerated this expansion.

Indonesian consumer behavior has dramatically changed, shifting from shopping in physical stores with direct interaction with salespeople to shopping through digital interfaces based on descriptions, images, and product reviews. Research shows that product variety, user reviews, and promotions play a significant role in influencing consumers’ purchase decisions. Product variety enhances consumer satisfaction, but too many options can lead to decision fatigue. User reviews provide social proof that reduces perceived risk for consumers, but the credibility of reviews is crucial to maintaining trust. Promotions such as discounts attract consumers, but if overused, they can damage brand reputation.

This study is important to understand the impact of these factors individually and in combination on consumer behavior. The aim of this research is to provide recommendations for businesses to improve consumer satisfaction and loyalty by adjusting product offerings, reviews, and promotional strategies. Shopee, which has dominated the Indonesian market, now faces fierce competition from TikTok Shop, which offers a more interactive shopping experience by combining e-commerce with social media. This shift demands that Shopee adjust to the preferences of younger consumers who are more interested in engaging and entertaining shopping experiences.

This research aims to explore how Shopee can improve its position in Indonesia’s market by effectively leveraging product variety, user reviews, and promotions to compete with TikTok Shop. Shopee needs to optimize its product choices to avoid decision fatigue, ensure the authenticity of user reviews, and fine-tune its promotions to better attract consumers. Therefore, this study can help Shopee and other e-commerce platforms refine their marketing strategies and strengthen their position in an increasingly competitive market.

# 2. Literature review

## 2.1 Variant

Studies have shown that offering a well-organized range of product options can positively influence customer satisfaction and purchase intentions, especially in industries like electronics and fashion. Differentiated products help consumers perceive distinct benefits, fostering loyalty and satisfaction (Vizconde & Mendoza, 2023; Zhao et al., 2021). However, an overabundance of choices can lead to choice overload, making decision-making more difficult and lowering consumer confidence, which negatively impacts purchase intentions (Kesler et al., 2023; Sharma & Kumar, 2023). Balancing variety with simplicity is essential to avoid overwhelm and maintain a positive consumer experience. Social recommendations and trends also play a significant role in shaping preferences, highlighting the importance of subjective norms in influencing consumer behavior (Reinhold et al., 2023).

In conclusion, the Theory of Planned Behavior (TPB) provides a framework for understanding how product variety affects consumer behavior. Consumers develop more favorable attitudes toward a brand when they perceive a diverse range of products as beneficial for meeting their needs, enhancing purchase intentions (Yang et al., 2023). However, too much variety can reduce perceived behavioral control and complicate decision-making. By offering a well-curated selection, brands can alleviate choice overload and boost consumer confidence. Social influences like trends and recommendations further shape consumers' attitudes, demonstrating the importance of balancing product variety with simplicity to align with TPB principles and facilitate the purchase decision-making process.

## 2.2 Reviews

Online reviews significantly influence consumer behavior, particularly in shaping purchase intentions and trust in products. Positive reviews enhance product desirability and increase purchase likelihood, while negative reviews can deter buyers by damaging brand perception (Chen et al., 2022; Sharma & Kumar, 2023). Social influence further amplifies this effect, as consumers feel validated or pressured by the volume of positive feedback, especially from credible sources like verified purchasers or experts (Medill Spiegel Research Center, 2021). Reviews also reduce uncertainty by providing practical information, making it easier for consumers to assess whether a product meets their needs (IJRAR, 2024). Additionally, recent reviews are seen as more reliable, boosting consumer confidence. The relationship between review ratings and pricing is critical—positive reviews can mitigate high prices, while negative ones exacerbate unfavorable perceptions of cost (IJFMR, 2023).

In conclusion, online reviews play a crucial role in shaping consumer attitudes, subjective norms, and perceived behavioral control, which directly impact purchasing decisions. Positive reviews improve attitudes and increase the likelihood of purchase, while negative reviews reduce purchase intentions. Reviews provide consumers with the information and validation needed to feel more in control of their decisions, aligning with the Theory of Planned Behavior (TPB), which posits that behavior is influenced by attitudes, social pressures, and perceived control. Thus, reviews are a powerful tool in guiding consumer decision-making by reinforcing these psychological components.

## 2.3 Promotion

Promotional strategies like emotional advertising, social proof, and value-driven incentives directly influence consumer purchase intentions. Emotional advertising fosters strong emotional connections with consumers, enhancing brand recall and encouraging favorable product attitudes (Vrtana & Krizanova, 2023). Neuroscience shows that emotional appeals not only attract but also build long-term brand loyalty by engaging decision-making processes (Frontiers, 2023; Kardes et al., 2021). Social proof, such as testimonials and verified reviews, strengthens trust in products and creates social pressure to conform to popular opinions, further reinforcing the perception of desirability (Medill Spiegel Research Center, 2021; Simanjuntak et al., 2020).

These tactics align with the Theory of Planned Behavior (TPB), as emotional advertising influences attitudes, while social proof shapes subjective norms, encouraging conformity. Promotions like discounts reduce perceived barriers, increasing perceived behavioral control by making purchases seem more attainable. However, excessive discounting may undermine long-term trust and brand equity (Sharma & Kumar, 2023; Kardes et al., 2021). Overall, these strategies improve consumer attitudes, reinforce subjective norms, and enhance perceived control, resulting in stronger purchase intentions and brand loyalty.

## 2.4 Purchase Intention

Psychological factors such as emotional advertising, social proof, and perceived value significantly influence consumer purchase intentions. Emotional advertisements that evoke positive emotions, like happiness and excitement, create lasting connections with consumers, increasing brand engagement (Vrtana & Krizanova, 2023). Consumers are also more likely to proceed with a purchase when they perceive a product as reliable and valuable, particularly through brand trust in competitive markets (Ling et al., 2023). Social proof, such as customer testimonials and verified reviews, provides external validation, reducing perceived risk and motivating consumers to align their decisions with others' actions, especially when there is a high volume of positive reviews (Medill Spiegel Research Center, 2021).

These psychological elements align with the Theory of Planned Behavior (TPB), where attitudes, subjective norms, and perceived behavioral control shape purchase intentions. Emotional advertising improves attitudes by fostering positive connections with the brand, while perceived value enhances perceived control, boosting confidence in purchase decisions. Social proof strengthens subjective norms by encouraging conformity and reducing perceived risks. Promotions like discounts further increase perceived control by making purchases more attainable, although overuse can damage brand reputation (Sharma & Kumar, 2023). These strategies, aligned with the TPB framework, enhance consumer attitudes, reinforce social norms, and improve perceived control, ultimately driving stronger purchase intentions.

## 2.5 Purchase Decision

Research shows that factors such as perceived value, a streamlined shopping experience, and effective customer service play a critical role in turning purchase intentions into actual decisions. When consumers perceive a product as offering good quality, affordability, and functionality, they are more likely to proceed with the purchase (Zhang et al., 2020). A smooth shopping experience, which includes an intuitive interface and efficient checkout process, boosts consumer confidence by reducing transactional risks and making the process easier (Lopes et al., 2024; Xiao et al., 2019). Additionally, effective customer service builds trust and satisfaction, reinforcing positive attitudes and encouraging not only immediate purchases but also long-term loyalty (Ding et al., 2022).

These elements align with the Theory of Planned Behavior (TPB), which suggests that attitudes, subjective norms, and perceived behavioral control influence consumer behavior. Perceived value shapes attitudes, making consumers more likely to buy when they feel the product is worth the investment. A seamless purchase process enhances perceived behavioral control, and customer service influences both attitudes and subjective norms by fostering trust. Post-purchase reassurance, such as follow-up communications, strengthens consumer confidence and loyalty, creating a positive cycle that encourages future purchases (Simanjuntak et al., 2020; Xiao et al., 2019). Together, these factors enhance consumer engagement and lead to stronger purchase intentions and actual purchase decisions.

## 2.6 Hypotheses Development

**Variant and Purchase Intentions**

According to recent research, providing a wide range of product options can increase perceived fit and happiness, which in turn can positively influence consumer purchase intentions, especially in markets where customisation is valued(Li et al., 2022). But too many possibilities might cause choice overload, which lowers decision satisfaction and urges to buy (Ahn & Lee, 2024). Customers are more inclined to purchase a product in markets that prioritise innovation if they believe it to be distinctive and pertinent. Choice overload, on the other hand, might discourage purchases when there are too many comparable options, highlighting the significance of good product communication (Li et al., 2022). Particularly in the technology industry, where devoted consumers are more open to focused product expansions, brand loyalty also mitigates reactions to product variations, strengthening brand attachment and enhancing purchase results (Ramachandran & Balasubramanian, 2020). Additionally, research on packaging demonstrates that meaningful and useful packaging increases perceived value and influences purchase intentions, particularly for basic products where packaging improves the user experience (Baccarella et al., 2021). This demonstrates how carefully planned packaging may pique consumers' interests without becoming overly complicated.

**Reviews and Purchase intentions**

Recent research highlights the significant impact of online reviews on consumer purchase intentions, demonstrating that both positive and negative reviews influence consumers in different ways. Ahn and Lee (2024) found that positive reviews enhance purchase intentions by providing social proof and reducing perceived risks, while negative reviews discourage potential buyers by emphasizing possible issues. They also highlighted the importance of review credibility and authenticity, which directly strengthen consumer trust and ultimately increase purchase intentions. Similarly, Chen et al. (2022) emphasized the role of review valence and volume in consumer decision-making, finding that a high volume of positive reviews enhances consumer confidence, whereas a high volume of negative reviews diminishes it. The recency of reviews also played a crucial role, with recent reviews having a stronger effect due to their relevance in the decision-making process The specificity of reviews further shapes consumer behavior, with detailed reviews that provide specific insights on product features and personal experiences proving more persuasive than generic ones. According to Chakraborty (2019), these in-depth reviews enhance trust and purchase intentions by offering valuable information that helps consumers make more informed decisions. Reviewer credibility also influences purchase intentions; Ramachandran and Balasubramanian (2020) found that reviews from verified purchasers or perceived experts increase trust in the product, translating to higher purchase intentions. Sharma and Kumar (2023) further highlighted the role of brand responses to reviews, noting that prompt and effective responses to customer feedback can reinforce trust and satisfaction, enhancing consumer purchase intentions by actively engaging consumers and improving product perceptions. Collectively, these studies underscore the multifaceted influence of online review characteristics—such as valence, volume, specificity, credibility, recency, and brand response—on consumer behavior and purchase decisions, particularly in digital marketplaces. This suggests that businesses should strategically manage reviews and consumer engagement to maximize positive consumer outcomes and drive sales.

**Promotion and Purchase Intentions**

The primary goal of promotion, which includes public relations, sales promotions, advertising, and direct marketing, is to educate and influence consumers to make decisions about what to buy. For example, advertising is essential for increasing brand recognition through various media platforms, and influencer marketing greatly enhances these initiatives. Highly successful in fostering consumer interaction, social media influencers use relatability and credibility to gain audiences' trust, which in turn increases their propensity to make a purchase (Bratkov, 2024; Akand, 2024). According to studies, influencer authenticity is crucial for boosting customer trust and engagement, and influencer marketing methods are especially effective at reaching younger audiences that appreciate personalised content (Chen et al., 2024; Akand, 2024). By instilling a sense of urgency, sales efforts that use discounts or time-sensitive offers successfully encourage instant purchases. Gorji and Siami (2020) discovered that these promos boost perceived value and speed up decision-making, particularly when combined with in-store displays. Additionally, by maintaining a favourable public perception and sending tailored, targeted messages, direct marketing and public relations support brand loyalty. Stronger purchase intent is ensured by direct marketing strategies that are adapted to the needs of certain audiences (Ho et al., 2022). A more recent strategy, live-streaming marketing, connects online and offline encounters with real-time customer interaction, greatly increasing engagement and impulsive buying (Ho et al., 2022). When combined, these marketing techniques highlight how effective a multifaceted strategy is at influencing consumer choices and cultivating enduring brand loyalty.

**Purchase Intention and Purchase Decisions**

Recent studies confirm that psychological factors like emotional appeals, perceived value, social proof, brand trust, and price promotions each significantly influence consumer purchase intentions. Emotional appeals in advertising create strong affective connections, often driving both impulse and repeat purchases by engaging consumers in emotional states like pleasure and arousal, which have been shown to increase engagement and brand loyalty, particularly in post-COVID online shopping environments (Alshohaib, 2024; Vrtana & Krizanova, 2023). Perceived value enhances purchase intentions by aligning product features with consumer benefits, especially in online contexts where features such as ease of use and personalized recommendations increase satisfaction and perceived value (Saleem et al., 2023). Social proof, such as customer reviews, serves as a powerful motivator by providing validation, thus enhancing purchase likelihood, especially among younger consumers more influenced by social media (Vrtana & Krizanova, 2023). Brand trust further boosts purchase intentions, with studies showing that emotional connections foster trust, reducing risk perception and promoting both initial and repeat purchasing behavior (Lee & Pan, 2023). Finally, price discounts and promotions effectively increase purchase intentions by suggesting good value and creating urgency, often leading to impulse buys as consumers act quickly on perceived financial benefits (Rodrigues & Lopes, 2021). These findings illustrate the comprehensive impact of psychological drivers on consumer behaviors across diverse shopping environments, both online and offline.

**Figure 1. Theoritical Framework**

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# 3. Research Method

The research approach is divided into two main categories: qualitative and quantitative, each having its strengths and objectives suited to the type of data collected. In this study, a quantitative approach was chosen because it aims to statistically measure the relationships between variables, in line with the research objective of examining the influence of promotions, product variety, customer reviews, purchase intention, and consumer purchase decisions on Shopee in Jakarta. The primary advantage of the quantitative approach is its ability to provide results that can be generalized to a broader population through data collection from a representative sample and appropriate statistical analysis. This method allows the researcher to obtain results that are unbiased, reliable, and applicable, and provides insights that can be used to formulate recommendations for businesses and policymakers.

The sampling design used purposive sampling to select respondents relevant to the research objectives, specifically those who have recent shopping experiences and are familiar with the Shopee platform. The sample consists of 125 participants, calculated based on the sample size guidelines for Structural Equation Modeling (SEM), which recommends a sample size of at least five times the number of observed indicators. Data collection was conducted through a survey with 25 items, covering eight sections, starting with screening questions to ensure respondent eligibility, followed by demographic information, and ending with questions regarding consumer behavior related to promotions, product variety, and customer reviews.

For data analysis, a 7-point Likert scale was used to assess respondents' agreement with various statements, allowing for finer distinctions in opinion compared to a 5-point scale. Inferential analysis was conducted to test the hypotheses and identify relationships between variables. Validity tests were conducted using Average Variance Extracted (AVE) and the Fornell-Larcker criterion to ensure that the measurement instruments accurately assess the intended constructs. Reliability testing using Cronbach's alpha ensured the internal consistency of the items within each construct. Structural Equation Modeling (SEM) was used to test the relationships between variables, with a p-value of less than 0.05 indicating significant relationships. Additionally, the coefficient of determination (R²) was calculated to evaluate how much of the variation in the dependent variable could be explained by the independent variables, showing that most of the variance can be explained by these factors.

# 4. Result and Discussion

**4.1 Respondent Profile**

The study was conducted from August to September 2024, with a total of 133 participants, of which 128 were considered eligible based on the screening questions. The demographic profile of the participants reveals that a majority were female, comprising 57.8% (74 out of 128), while male respondents made up 42.2% (54 out of 128). This gender distribution suggests that the study may have greater relevance for a female audience. The participants' ages were divided into five groups, with the largest group (45.3%, or 58 participants) being between 17 and 22 years old, followed by 31.3% (40 participants) aged 23 to 33. A smaller portion of respondents, 10.2% (30 participants), were in the 34 to 44 age group, while even fewer were aged 45 to 55 (9.4%, or 12 participants), and only 3.9% (5 participants) were older than 55. This age distribution indicates that the study predominantly reflects the opinions and preferences of younger individuals. The study simplifies data analysis by focusing on these age gaps. Regarding education level, nearly half of the respondents (47.7%) held a Bachelor’s degree, 28.1% had completed Senior High School, 16.4% held a Diploma, and 7.8% had attained a Master’s degree, suggesting that the participants were generally well-educated. In terms of income, 46.9% of respondents reported earning less than IDR 5,000,000 per month, while 28.1% earned between IDR 5,000,000 and IDR 7,000,000. Additionally, 18.8% earned more than IDR 9,000,000 monthly, and 6.39% fell into the IDR 7,000,001 to IDR 9,000,000 range. This diverse income distribution offers a comprehensive understanding of the respondents' purchasing power, providing insights into how different income groups approach their purchase decisions

**Table 1. Demographic Profile**

|  |  |  |
| --- | --- | --- |
| Age Group | N | % |
| 17-22 years old | 58 | 45.3% |
| 23-33 years old | 40 | 31.3% |
| 34-44 years old | 13 | 10.2% |
| 45-55 years old | 12 | 9.4% |
| Older than 55 years | 5 | 3.9% |

|  |  |  |
| --- | --- | --- |
| Gender | N | % |
| Female (Perempuan) | 74 | 57.8% |
| Male (Laki-Laki) | 54 | 42.2% |

|  |  |  |
| --- | --- | --- |
| Income Range | N | % |
| Less than IDR 5,000,000 | 60 | 46.9% |
| IDR 5,000,000 - IDR 7,000,000 | 36 | 28.1% |
| More than IDR 9,000,000 | 24 | 18.8% |
| IDR 7,000,001 - IDR 9,000,000 | 8 | 6.3% |

|  |  |  |
| --- | --- | --- |
| Education Level | N | % |
| Bachelor's Degree (S1) | 61 | 47.7% |
| Senior High School (SMA) | 36 | 28.1% |
| Diploma (D1/D2/D3/D4) | 21 | 16.4% |
| Master's Degree (S2) | 10 | 7.8% |

Source: Google Form

**4.2 Descriptive Analysis**

The analysis of the promotional variables (P1-P5) revealed moderately high ratings across all items, with the highest mean score for frequent promotional offers (P3: 5.65, SD = 1.71), suggesting a significant influence on purchasing behavior. The product variant variables (PV1-PV5) showed that respondents favored certain variants, particularly PV1 and PV2, which both received a high mean of 5.87, while PV4 (4.99) indicated a neutral stance. For review variables (R1-R5), the highest score was for detailed reviews (R4: 6.03, SD = 1.27), showing that reviews are a strong influence on purchase decisions.

In terms of purchase intentions, the highest mean was for alignment with product benefits (PI3: 5.41, SD = 1.54), suggesting that product attributes significantly drive purchase intention. Purchase decisions (PD1-PD5) showed that factors like product satisfaction and promotional incentives had a moderate to high influence, with PD2 (5.45, SD = 1.42) and PD5 (5.44, SD = 1.44) being the highest.

For inferential analysis, Harman's single-factor test showed that common method bias was not a concern, as a single factor accounted for only 43.58% of the variance. The validity test confirmed adequate convergent validity with AVE values above 0.50 for all constructs. Reliability tests showed good internal consistency, with Cronbach’s Alpha values exceeding 0.70 for all constructs. Hypothesis testing using structural equation modeling (SEM) revealed that promotions positively influence purchase intention (p = 0.012), and purchase intention strongly influences purchase decisions (p = 0.000). However, the relationship between reviews and purchase intention was insignificant (p = 0.182). The coefficient of determination (R²) for purchase decisions was 0.715, indicating strong explanatory power, while for purchase intention, it was 0.499, showing moderate explanatory power.

|  |  |  |
| --- | --- | --- |
| **Item** | **Mean** | **SD** |
| P1 | 5.3 | 1.62 |
| P2 | 4.93 | 1.74 |
| P3 | 5.65 | 1.71 |
| P4 | 5.05 | 1.56 |
| P5 | 5.09 | 1.76 |
| PV1 | 5.87 | 1.35 |
| PV2 | 5.87 | 1.33 |
| PV3 | 5.6 | 1.48 |
| PV4 | 4.99 | 1.61 |
| PV5 | 5.34 | 1.38 |
| R1 | 5.87 | 1.46 |
| R2 | 5.64 | 1.43 |
| R3 | 5.76 | 1.36 |
| R4 | 6.03 | 1.27 |
| R5 | 5.97 | 1.37 |
| PI1 | 5.08 | 1.59 |
| PI2 | 4.61 | 1.72 |
| PI3 | 5.41 | 1.54 |
| PI4 | 4.98 | 1.64 |
| PI5 | 4.97 | 1.63 |
| PD1 | 5.39 | 1.56 |
| PD2 | 5.45 | 1.42 |
| PD3 | 5.33 | 1.55 |
| PD4 | 5.02 | 1.69 |
| PD5 | 5.44 | 1.44 |

Tabel 2. Descriptive Analysis of Variable

Source : Author Computation

**Table 3. Validity and Reliability Test**

|  |  |  |
| --- | --- | --- |
|  | Average Variance Extracted (AVE) | Cronbach's Alpha |
| Promotion | 0.6 | 0.834 |
| Purchase Decision | 0.688 | 0.886 |
| Purchase Intention | 0.648 | 0.864 |
| Reviews | 0.676 | 0.88 |
| Variant | 0.59 | 0.826 |

Source : Author Computation

**Table 3. Hypotheses Testing**

|  |  |
| --- | --- |
|  | P Values |
| Promotion -> Purchase Intention | 0.012 |
| Purchase Intention -> Purchase Decision | 0 |
| Reviews -> Purchase Intention | 0.182 |
| Variant -> Purchase Intention | 0.028 |

Source : Author Computation

**4.3 Discussion**

This chapter discusses the findings of the study, focusing on the relationships between Variant, Reviews, Promotions, Purchase Intentions, and Purchase Decisions. The analysis using SmartPLS revealed several significant insights. First, the relationship between Variant and Purchase Intentions was positively correlated, with a p-value of 0.028, indicating that a wide range of product options significantly influences consumers' intentions to purchase. This finding is consistent with prior research that highlights the importance of product variety in enhancing decision-making and aligning the product with customer needs. A diverse product range allows customers to find options that better fit their individual preferences, leading to a more personalized shopping experience, which has been shown to increase purchase intentions.

On the other hand, the relationship between Reviews and Purchase Intentions was found to be negative and statistically insignificant, with a p-value of 0.182. This result contrasts with earlier studies that suggest reviews, especially for unfamiliar products, can foster trust and increase purchase intentions. The lack of significance in this study may be attributed to the familiarity of the participants with the product, making them less dependent on reviews and more likely to rely on personal preferences or marketing tactics. Additionally, factors such as demographics and the timing and volume of reviews may play a role in influencing their impact, with younger consumers potentially valuing peer reviews more than older consumers, who may place greater emphasis on brand reputation.

Promotions, however, were found to have a positive and significant impact on Purchase Intentions, with a p-value of 0.012. This finding supports previous studies that demonstrate how discounts and time-limited offers can create a sense of urgency, prompting customers to make immediate purchases. Promotional strategies, particularly in e-commerce, are crucial in influencing consumer behavior by lowering perceived prices and creating a feeling of urgency, which ultimately drives purchase intentions.

Lastly, the study confirmed that Purchase Intentions have a strong positive relationship with Purchase Decisions, with a p-value of 0.000, supporting the hypothesis that purchase intentions are a reliable predictor of actual purchasing behavior. This finding is in line with previous research that emphasizes the predictive power of purchase intentions, highlighting that consumers are likely to follow through with a purchase when their intentions are clear and the product meets their expectations in terms of value and convenience. The connection between intentions and actual purchases underscores the importance of marketing strategies, such as promotions and online reviews, in converting consumer intent into action. Overall, these results reinforce the crucial role of purchase intentions in bridging marketing stimuli and actual consumer behavior.

# 5. Conclusion and Implications

This study investigates the factors influencing Shopee customer behavior in Indonesia, comparing it with TikTok Shop, a new competitor in the market. The analysis focused on three main factors: product variety, customer reviews, and promotions, and their impact on consumer purchase intentions and decisions. The results support Hypothesis 1 (H1), showing a strong correlation between product variety and purchase intentions. Shopee customers prioritize a wide selection of products that align with their needs and preferences, which enhances customer satisfaction and drives purchase intentions. However, Hypothesis 2 (H2) was not supported, as customer reviews did not show a statistically significant correlation with purchase intentions. This may be due to customers' prior experience with Shopee's products or the nature of the items under consideration, where reviews may not play as significant a role compared to personal preferences or brand familiarity. Promotions were found to have a substantial impact on purchase intentions, supporting Hypothesis 3 (H3). Flash sales, discounts, and special offers create a sense of urgency and increase perceived value, encouraging customers to finalize their purchases. Furthermore, Hypothesis 4 (H4) was confirmed, indicating a strong correlation between purchase intentions and actual purchase decisions. When consumers have a clear intention to buy, they are more likely to follow through, highlighting the importance of fostering purchase intentions to drive final purchases. Overall, the study demonstrates that product variety and promotions are key determinants of purchase intentions, which in turn influence actual purchase decisions, emphasizing their importance for e-commerce platforms aiming to enhance customer engagement and sales conversion.

Based on these findings, several managerial implications for Shopee are suggested to improve its competitive advantage and sustain consumer engagement. Although customer reviews did not significantly impact purchase intentions in this study, they remain a critical factor in decision-making, particularly for unfamiliar or high-risk products. Shopee should continue to prioritize the quality, authenticity, and transparency of product reviews. By ensuring reviews are verified and relevant, Shopee can build consumer trust and mitigate concerns regarding product quality. This approach could boost conversion rates, especially for products with fewer recommendations or lower brand recognition. Shopee could also enhance its promotional strategies by personalizing discounts, loyalty rewards, and limited-time offers tailored to consumer behavior, increasing engagement and encouraging repeat purchases. Data-driven insights can help refine these strategies and improve their effectiveness.

Theoretical implications for future research include exploring additional factors influencing consumer behavior in e-commerce, such as brand trust, perceived product quality, and the role of social media influencers. These factors could provide deeper insights into the dynamics that drive consumer preferences and platform choice. Moreover, future studies should investigate the rise of social commerce, especially with platforms like TikTok Shop that integrate social media with e-commerce, to understand how social interactions and content creators influence consumer behavior. Research into long-term customer loyalty and retention is also recommended, as the current study focused primarily on immediate purchase intentions. Examining how promotions and product variety impact customer loyalty over time could help platforms like Shopee develop strategies to foster sustained engagement and loyalty. By implementing these recommendations and conducting further research, Shopee can enhance its competitive position and continue to grow in Indonesia's dynamic e-commerce market.

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