

## Analysis of the Shopee's Strategies to Succeed in the Global E-commerce Market: Malaysia Case

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### ABSTRACT

This study examines the strategies that influence consumer loyalty and buying intentions on the Shopee e-platform. Due to the rapid growth of e-commerce platforms worldwide, the researchers would like to know if this makes it difficult for Shopee to maintain customer loyalty in Malaysia. To maintain a successful existence in the global electronics market, Shopee developed integrated marketing communications, categorize the competitors, and leveraged AI and data. In this study, a total of 100 respondents from Malaysia responded to this survey. The data is collected via a survey questionnaire. The findings revealed that consumer behavior and experience, consumer convenience, and consumer trust have positively related to the customer satisfaction and purchase intent towards Shopee. Not only does this research provide Shopee with valuable guidance and insights on how customers perceive Shopee, resulting in increased customer satisfaction but also this research illustrates that Shopee has the potential to develop its prospects and strategies to succeed in the global e-commerce market.

**Keywords:** Customer Loyalty, Malaysia, Purchase Intentions, Shopee, Strategies

**JEL Classification:** M00, L80, L81

## **INTRODUCTION**

In the era of globalization, nations are undergoing substantial changes, reaching the diversity of current society in terms of socio-culture and socioeconomics (Yusoff, Alomari, Latiff, & Fazamin, 2020, pp.32-37). This research aims to determine what characteristics affect consumer loyalty and purchase intention on the Shopee e-platform. Shopee is recognized as one of the e-commerce store development engines for any company. Electronic commerce refers to the direct sale of goods and services over the Internet. Electronic commerce is remarkable since its powerful concept and operations have drastically altered modern living. As a result, many people now consider business e-commerce a top concern (Abdulaali, Alnoor, & Eneizan, 2019, pp. 21-31).

E-commerce is now quickly expanding, influencing many industries, and transforming the business models of firms (Esmaeilpour, Hoseini, & Jafarpour, 2016). Since the growth of e-commerce platforms and websites worldwide, the researchers would like to know whether the rapid development of e-commerce platforms makes it difficult for Shopee to maintain customer loyalty in Malaysia. While the growth of growing internet users has helped expand online shopping service providers, this has also created more competition. In today's world, e-commerce has become a must-have marketing tool. Online merchants and services are the primary business-to-consumer (B2C) sales channels. According to the study's findings, various payment methods used by e-commerce companies are well-liked in Malaysia (Rasli, Khairi, Ayathuray, & Sudirman, 2018, pp. 37-45). Whether consumers or sellers, e-commerce participants rely on Internet-based technologies to execute their transactions. Transactions can be made at any time and from any location using e-commerce. Geophysical barriers are dissolved thanks to the power of e-commerce (Blut, Frennea, Mittal, & Mothersbaugh, 2015, pp. 226-229). Therefore, Shopee exists as an e-commerce platform. Shopee is a mobile-friendly online marketplace that lets consumers buy and sell items quickly and easily. Developing an integrated marketing communication plan that is 4P (place, pricing, promotion, and production) is one of the techniques that Shopee can employ to sustain client loyalty to be successful in the global e-commerce market.

As a double-edged sword, the Covid-19 epidemic presented an opportunity for e-commerce to improve its commercial performance (Kee et al., 2021, pp.53-65). However, according to research, sellers do not fully understand the mechanisms that can provide e-commerce customer happiness, even the quality of digital services is also an essential component of e-commerce (Kalia & Paul, 2021). As a result, consumer happiness will increase, which will lead to consumer repurchases and eventually, consumer loyalty in Business to Consumer (B2C) behavior (Schiffman, Long, & Sherman, 2015, pp. 229-230). Besides, customers' loyalty is the primary purpose of marketing, so it must be maintained and improved. It is easier to retain existing users and save money to attract new customers. Loyalty will help companies in several ways, including encouraging people to make repeat purchases (buying intentions).

In the second quarter of 2021, Shopee surpassed Amazon as Malaysia's third most popular e-commerce portal. Still, their website is lacking in features. Namely, the order list may not appear on the buyer's account, and there may be no email or SMS message confirming receipt of the order causing the system to be malfunction. Furthermore, the customers are unable to check, change, cancel, or trace the status of their orders. Unfortunately, the delivery technique is also a disadvantage because the system does not inform buyers when their order would arrive and they would not know until the sender contacted them. As a result, customer purchasing preferences will be influenced. Finally, Shopee is an e-commerce platform that allows businesses to post their products on their website and connect directly with customers and sellers. Even so, the vendor and the

consumer can undergo disagreements because they are both Shopee users. Despite that, Shopee is still responsible for discovering the problem, deciding the fault, and recommending a mechanism for the two parties to settle and reconcile their differences. However, many consumers have said that Shopee is not attempting to address the matter, yet the company remains mute and leaves the case open. Thus, the current study is critical to explore how Shopee's strategies succeed in the global e-commerce market.

## **LITERATURE REVIEW**

### **Competitor's analysis & Consumer satisfaction**

The online shopping platform Shopee also enables online consumers to shop anytime and anywhere with a wide variety of small sellers and trusted marketplace sellers who offer the best deals and savings (Shopee Careers, 2021). However, Shopee has found it difficult to compete with Lazada in all aspects, in terms of monthly visits to the platform or the type of business model implemented to achieve a better operational relationship with its clients (Lim, Osman, Salahuddin, Romle, & Abdullah, 2015). To achieve this idea, Shopee has an important challenge: to continue attracting and maintaining the attention of potential customers from e-marketplaces. For that, it must continue to conduct exhaustive market research that can address the problem and be able to establish as one of the most significant platforms of e-commerce in Malaysia. Therefore, in this study, the researchers propose a hypothesis to understand what is happening with the marketing ideas at Shopee. The researchers agree to study and acknowledge whether the rapid development of e-commerce platforms in Malaysia makes it Shopee difficult to maintain loyalty and trust with its customers.

On the other hand, facing another challenge of strategies that Shopee presents is that consumer expectations are sometimes not the best, since consumers have a direct relationship of trust between the price and the brand of the product when they are looking for it on the platform, and when they are looking at the product catalog, consumers expect the product to be what it claims to be a product with all the necessary functionalities that they can consume and/or use for a considerable time. (Lim & Fern, 2021) Whether consumers perceive a lack of service it will become harder for Shopee to maintain its clients.

The strategy of lower prices and the products do not offer an excellent description of the product represent other income disadvantages of consumer satisfaction. As Dholakia and Ching (2003) say the price that consumers perceive when buying represents an important aspect in comparison with the real prices of the product because they affect the consumer's choice of purchase if the consumer does not see a reasonable price according to the product, the consumer will no longer have an interest on it.

### **Consumer trust & Increase advertising**

Confidence with potential customers and constant consumers can provide the success of an organization. According to (McMurrian & Matulich, 2016), the definition of trust is a combination of elements related to exchange. Therefore, the e-commerce platform such as Shopee must provide excellent treatment to customers because it has to be a part-part feeling, but the owner of the company, in this case, Shopee must be prepared to understand all the needs of their client. It should be considered that consumer satisfaction will depend on the confidence and dynamics that the customer chooses when buying online. This step is important to establish new potential customers, so the company must understand these attributes of trust and satisfaction that consumers demonstrate when obtaining their products. Consumers create their opinions based on experiences, their first shopping experience will define whether they will trust an online store or a normal physical store. Usually, they will evaluate all the steps of the purchase

criteria, such as payments, shipping time, personal data, offeror's provision, and quality of the product or service. This will guarantee the directly proportional relationship between trust, loyalty, and satisfaction that the individual who consumes products in line with the company that provides the service (Lim & Fern, 2021).

After concentrating on the exponential growth and the image of Shopee, another aspect such as income is also grew. The cost of income in electronic transactions is an additional auxiliary service to improve the quality of customers in making their purchases. The idea of e-commerce companies is to continue creating spaces where e-marketplaces can continue to grow, and everyone can generate profits. Hence, that's why they come up with different ideas that appeal to customers, and these ideas are also consistent with the needs that the company's employees can give (Dang, 2021). Then, the marketing strategies that are specified in the company must be effective to generate income with the different advertising strategies. That is, advertising and marketing strategies must be closely related to attracting potential customers to consume the products that the company sells (Nabilah, 2020). Therefore, the necessity of advertising investment is important to supply the factor of the expansion of Shopee's firm since it gives a better positioning to the brand and can segment other possible clients that are interested in purchasing on e-commerce platforms.

### **Marketing Communication Strategy**

Nowadays, marketing communication efforts should emphasize product material attributes while also providing information about the brand's intangible values. As a result, brand values linked with the product, fun, joy, promoting freedom, security, and lifestyle should be emphasized in promotional activities. A marketing campaign that emphasizes the brand's ties to the past can be quite effective. It helps you reach out to potential customers, opinion-forming sources, and distributors, which emphasizes qualities that are important to each of these groups (Grebosz & Pointent, 2015). In Internet operations, e-commerce companies should use websites as a primary communication and marketing tool. Consumers can conduct research on items or services via the Internet, including product features, pricing information, promotions, payment methods, shipping arrangements, returns and exchanges, and after-sales assistance (Dewi & Hartono, 2019). The websites must provide information and details about the order process and the ordered items. Adequate information about items and services must be presented in detail to provide convenience for online buyers looking for a specific item so that they are understandable. To address more inquiries, a system of email or other interactive elements needs to be available (Lim et al., 2015). For instance, Shopee is increasingly using chatbots on their websites and social media to make it easier for customers to communicate with customer support representatives. As a result, they can deepen customer-business relationships and adjust services to market demands.

E-marketers should create websites that are simple to navigate, nice to look at, and efficient to use. Customers would return if they had a successful and enjoyable online shopping experience. According to Tan and Wei (2006), to entice online surfers to return, a well-designed website should be established to make it easier for them to locate the necessary things and to feel satisfied while browsing the websites. Well-established businesses are having a competitive advantage when it comes to utilizing the Malaysian e-market, especially Shopee because they have already built a brand among consumers. Consumers are more likely to visit the websites of well-known companies when they are considering making a purchase. Therefore, e-commerce will be increasingly effective and efficient for items to search, a category of product that does not require a physical inspection or trial. In terms of internet advertising, e-marketers should put advertisements that look intriguing and appealing to pique customers' interest and bring them in. For that

reason, Shopee can emphasize online advertisements such as Shopee My Ads to boost online sales. Furthermore, when consumers spend a significant amount of time online, they are exposed to a variety of online media advertisements (such as windows popped-up, hyperlinks text-based, and banners). Thus, if the advertising is aesthetically stimulating, they may click on them (Rahayu & Fatima, 2019).

### **Categorize the competitors**

Following that, to investigate the strategies that influence consumer loyalty and purchase intentions on the Shopee e-platform. Loyalty can be defined as more than simply a commitment. Besides that, it is also the act of repurchasing a particular brand (Shang, Chen, & Liao, 2006). Next, Shopee can categorize their competitors, which include Lazada, Zalora, Taobao, Gmarket, Jollychic, Wish, and other competitors. However, many Malaysian companies lack knowledge and expertise of consumer attitudes about shopping online (Harn, Khatibi, & Ismail, 2006). It is critical to classify Shopee's competitors so that Shopee can identify which type of competitors are coping with. Furthermore, Shopee must study and determine who the strongest competitors are, as well as evaluate their performance compared to Shopee's. Therefore, Shopee must always track their competitor's price, revenue, sold item, stock, and product rating to remain successful.

In addition, Price is important when starting a business. The price of a product or service can be described as the exchange of money (Kotler & Armstrong, 2012). Shopee's company must set its prices effectively to be successful in marketing, and it is critical to maintaining track of your competitors' prices. It enables Shopee to tailor their product price appropriately and maintain competitiveness. When shopping online, the most important consideration is the price. To make a profit, Companies must set pricing that reflects the target consumer's perceived value. Customers' perceived value is less than the cost when a price is set too high, and sales chances are wasted (Lupiyoadi, 2013). Shopee must make certain that the online shopping experience is enjoyable, that their website is as simple, clear, and accessible for online consumers shopping online as possible, and that it is always stable so that Shopee can compete with other competitors (Harn et al., 2006).

According to Koththagoda and Herath (2018), online customers are demanding a helpful function from a website. Besides from that, Shopee may closely monitor the products on display and even the marketing tools and techniques that are utilized by competitors by using competitor monitoring tools. It will help your business emerge above the competition by providing a bird's-eye view and in-depth insight into your market's key players. Moreover, to determine the factor that influences consumer loyalty and purchase intention on the Shopee e-platform, Shopee can conduct a survey or evaluation of customer purchase intention regularly. Through this survey, Shopee would learn the level of consumer loyalty and purchasing intentions followed by the services offered. If the results of the survey demonstrate a low level of loyalty and purchasing intention, Shopee will need to improve and implement specific strategies to compete with competitors.

### **AI and data**

Besides that, Shopee can leverage AI and data to detect the trends from the consumer purchase data and to browse, not only those innovative technologies such as AR-powered tools and AI will also assist businesses to provide high-quality purchasing experiences for their customers (O'Neill, 2020). Apart from focusing just on making transactions and competing with the price, sellers and brands may compete by appealing to customers and developing brand loyalty through experiences. Nowadays, many online businesses are already focusing on improving their AI skills to attract customers. In the eCommerce industry, this is where visual, aural, literary, and analytical talents collide.

Consumer preferences are evolving at such a quick rate that businesses are finding it hard to keep track.

If Shopee wants to grow their business, this is one of the most important business tactics they may use. In this future phase of conversational business, artificial intelligence in the form of 'chatbots' is simply one technique to direct the debate. (Adamopoulou & Moussiades, 2020) A chatbot is "computer software that duplicates human-to-human dialogue over the Internet," according to its description. Chatbots may be able to take over some of the most important aspects of running an online business, such as operations and marketing, as well as automating order processes and providing effective and low-cost customer support. Customer service via social media is fast becoming a necessity rather than a choice. After you have connected the chatbot system to the shopping carts, it can work with any of the platform's retailers. For example, you'll receive more potential consumers if you add more shopping carts to your chatbot application. Additionally, certain systems require shopping cart connectivity to collect data like product descriptions, quantity, and shipping terms, which chatbots can use to offer appropriate responses to clients (Asling, 2019). As a result, chatbots are an ideal customer service tool for e-commerce companies. As everyone knows, contact lists, phone calls, and emails are all viable options. In many circumstances, though, online chat remains the quickest and most convenient way for clients to receive responses.

## **RESEARCH METHOD**

Several data collection approaches have been observed to complete the study's view on Shopee's tactics for success in the global e-commerce business. To better comprehend the study's issue, the researchers went through several papers, websites, and journals (Kee et al., 2021). In addition, the study data were collected using a Google questionnaire form. First, the researchers conducted a poll utilizing a Google form to gather information about Shopee's consumer attitudes. The conclusions of this research are based on consumer happiness, as well as competitive analysis and problems. The questions were created using Google Forms, and the survey was sent to 150 people who took their time to complete it. Friends, family, students, and relations were asked to participate. The researchers shared the link to the Google Form with them over WhatsApp and Telegram. In that case, the researchers greatly appreciate their help in completing the survey.

This study took five days to get responses from the survey respondents. Thus, the general purpose of the survey conducted is to identify how Shopee customers viewed the operation of the company concerning their experience using the platform to purchase a product. The researchers divided the survey into sections such as experience, convenience, trust, and consumer behavior, where the researchers could find more detailed information needed to evaluate the hypothesis. Within the sections placed in the survey, specifically on the experience, it is hoped that the contestants will state some aspects that Shopee should improve to be better functioning of the page and that consumers will enjoy the shopping experience on the platform. In the satisfaction section, the researchers choose to understand if the customer was totally satisfied with Shopee's service and if they would recommend its use to other people to buy online. On the other hand, in the convenience section, the researchers want to understand if customers prefer shopping online on Shopee than other purchasing online platforms and evaluate how safe people feel when buying those products or services in Shopee. Besides that, in the trust section, the researchers evaluate mutual trust between the company and the client, trying to understand if the client is happy using Shopee and if it satisfies all their needs when buying a specific product online.

## RESULTS

**Table 1.** Summary of Respondent's Demography (N=150)

| Response                 | Frequency | Percentage (%) |
|--------------------------|-----------|----------------|
| <b>Gender</b>            |           |                |
| Female                   | 94        | 62.7           |
| Male                     | 56        | 37.3           |
| <b>Age</b>               |           |                |
| 20 and below             | 37        | 24.7           |
| 21-30                    | 52        | 34.7           |
| 31-40                    | 10        | 6.7            |
| 41-50                    | 6         | 4.0            |
| 51 and above             | 45        | 30.0           |
| <b>Educational Level</b> |           |                |
| Bachelor of Degree       | 100       | 66.7           |
| Master/PhD               | 8         | 5.3            |
| Pre-University /Diploma  | 23        | 14.0           |
| Secondary School         | 19        | 12.7           |
| <b>Occupation</b>        |           |                |
| Employed                 | 45        | 30.0           |
| Retired                  | 2         | 1.3            |
| Self-employed            | 24        | 16.0           |
| Student                  | 75        | 50.0           |
| Unemployed               | 4         | 2.7            |
| <b>Monthly Income</b>    |           |                |
| No income                | 76        | 50.7           |
| RM1000 and below         | 4         | 2.7            |
| RM1001-RM2000            | 3         | 2.0            |
| RM 2001-RM3000           | 12        | 8.0            |
| RM3000-RM4000            | 7         | 4.7            |
| RM4001 and above         | 48        | 32.0           |

Table 1 shows a summary of the respondents' demographic. The survey was spread online to 150 respondents. Based on the survey, researchers found that over half of the respondents were female (62.7%) while males were (37.3%). Among 150 respondents, 52 respondents were aged between 21 to 30 years old which occupied most respondents in this survey. From the survey data of the educational level, 100 respondents out of 150 respondents are bachelor of degree which is 66.7%. Based on the survey data, it is discovered that most of the respondents were students (50%). Therefore, most of them didn't have income every month (50.7%).

**Table 2.** Summary of Consumer Behavior and Experience (N=150)

| <b>Response</b>  | <b>Frequency</b> | <b>Percentage (%)</b> |
|--|------------------|-----------------------|
| <b>Have you ever used Shopee to shop online before?</b>                                |                  |                       |
| Yes  | 146              | 97.3                  |
| No   | 4                | 2.7                   |
| <b>I enjoy using Shopee for buying products online.</b>                                |                  |                       |
| Yes  | 142              | 94.7                  |
| No   | 8                | 5.3                   |
| <b>Based on your overall experience, how satisfied did you feel visiting our site?</b> |                  |                       |
| 1 (Strongly unsatisfied)   | 0                | 0                     |
| 2 (Unsatisfied)  | 4                | 2.7                   |
| 3 (Neutral)  | 20               | 13.3                  |
| 4 (Satisfied)  | 75               | 50.0                  |
| 5 (Strongly satisfied)   | 51               | 34.0                  |
| <b>How much do you spend on Shopee every month?</b>                                    |                  |                       |
| Less than RM50   | 51               | 34.0                  |
| RM50-RM100   | 51               | 34.0                  |
| RM100-RM200  | 30               | 20.0                  |
| More than RM200  | 18               | 12.0                  |

**Please rate the Shopee following services compared to our competitors.**

**(1= Unsatisfied – 5 = Very Satisfied)**

**A. Product Catalog**

|                          |    |      |
|--------------------------|----|------|
| 1 (Strongly Unsatisfied) | 1  | 0.7  |
| 2 (Unsatisfied)          | 15 | 10.0 |
| 3 (Neutral)              | 40 | 26.7 |
| 4 (Satisfied)            | 54 | 36.0 |
| 5 (Strongly Satisfied)   | 40 | 26.7 |

**B. Website Performance**

|                          |    |      |
|--------------------------|----|------|
| 1 (Strongly Unsatisfied) | 1  | 0.7  |
| 2 (Unsatisfied)          | 14 | 9.3  |
| 3 (Neutral)              | 40 | 26.7 |
| 4 (Satisfied)            | 55 | 36.6 |
| 5 (Strongly Satisfied)   | 40 | 26.7 |

**C. Price**

|                          |    |      |
|--------------------------|----|------|
| 1 (Strongly Unsatisfied) | 1  | 0.7  |
| 2 (Unsatisfied)          | 18 | 12.0 |
| 3 (Neutral)              | 42 | 28.0 |
| 4 (Satisfied)            | 51 | 34.0 |
| 5 (Strongly Satisfied)   | 38 | 25.3 |

**D. Shipping Options**

|                          |    |      |
|--------------------------|----|------|
| 1 (Strongly Unsatisfied) | 9  | 6.0  |
| 2 (Unsatisfied)          | 18 | 12.0 |
| 3 (Neutral)              | 44 | 29.3 |
| 4 (Satisfied)            | 48 | 32.0 |
| 5 (Strongly Satisfied)   | 31 | 20.7 |

**E. Payment Experience**

|                          |    |      |
|--------------------------|----|------|
| 1 (Strongly Unsatisfied) | 3  | 2.0  |
| 2 (Unsatisfied)          | 12 | 8.0  |
| 3 (Neutral)              | 42 | 28.0 |
| 4 (Satisfied)            | 50 | 33.3 |
| 5 (Strongly Satisfied)   | 43 | 28.7 |

Table 2 indicated the summary of consumer behavior and experience. From the survey data, we can conclude that most of the respondents have ever used Shopee to shop online before which represents 97.3% and it shows that most of them enjoy using Shopee for buying products online (94.7%). Next, “based on your overall experience, how satisfied did you feel visiting our site”, 75 out of 150 of the respondents (50%) were satisfied when visiting our site. Next, from the survey, most of the respondents spend less than RM50 and RM50-RM100 (34%).

Based on the findings, we can conclude that most of the respondents were satisfied with Shopee services compared to competitors. 36% of respondents were satisfied with Shopee’s product catalog, while 36.6% of respondents were satisfied with Shopee’s website performance. Meanwhile, 51 out of 150 respondents were satisfied with Shopee’s price and it represents 34%. Aside from that, 32% of respondents were satisfied with Shopee’s shipping options while 33.3% of respondents were satisfied with

Shopee's payment experience. Overall, most of the respondents were satisfied with Shopee's service.

**Table 3.** Summary of Consumer Convenience (N=150)

| Response  | Frequency | Percentage (%) |
|---|-----------|----------------|
| <b>Which payment option do you prefer while shopping on Shopee?</b>               |           |                |
| Cash on delivery (COD)  | 5         | 3.3            |
| ShopeePay   | 76        | 50.7           |
| Credit / Debit Card   | 34        | 22.7           |
| Online Banking  | 35        | 23.3           |
| <b>Select or provide at least two products that you buy frequently in Shopee.</b> |           |                |
| Phone accessories   | 59        | 39.3           |
| Daily supplies  | 95        | 63.3           |
| Skincare products   | 55        | 36.7           |
| Luxury items  | 33        | 22.0           |
| Sneakers or sports shoes  | 25        | 16.7           |
| Others  | 31        | 21.7           |
| <b>What is the most challenging problem you face on Shopee?</b>                   |           |                |
| Slow shipping time  | 57        | 38             |
| Breach of payment details   | 9         | 6.0            |
| Poor internet connection  | 8         | 5.3            |
| Breach of personal information  | 10        | 6.7            |
| Lack of the products that I want  | 51        | 34.0           |
| Others  | 15        | 10.0           |

Table 3 shows the responses to the consumer's convenience on Shopee. Based on the table above, 76 respondents out of 150 respondents use Shopee Pay for the payments, while 5 respondents prefer cash on delivery during online shopping. The majority (63.35%) of respondents frequently buy daily supplies, while 16.7% of respondents often purchase sneakers or sports shoes on Shopee. However, 38% of the respondents face slow shipping time, which is the most challenging problem in Shopee, while 5.3% of respondents have faced poor internet connection when buying online on Shopee.

**Table 4.** Summary of Consumer Trust (N=150)

| <b>Response</b>   | <b>Frequency</b> | <b>Percentage(%)</b> |
|---|------------------|----------------------|
| <b>Overall, I view Shopee has better quality compared to other e-commerce platforms</b>   |                  |                      |
| 1(Strongly disagree)  | 1                | 0.7                  |
| 2 (Disagree)  | 4                | 2.7                  |
| 3 (Neutral)   | 35               | 23.3                 |
| 4 (Agree)   | 63               | 42.0                 |
| 5 (Strongly Agree)  | 47               | 31.3                 |
| <b>I feel comfortable and safe when using Shopee's services.</b>                          |                  |                      |
| 1(Strongly disagree)  | 0                | 0                    |
| 2 (Disagree)  | 3                | 2.0                  |
| 3 (Neutral)   | 25               | 16.7                 |
| 4 (Agree)   | 68               | 45.3                 |
| 5 (Strongly Agree)  | 54               | 36.0                 |
| <b>I have purchased many products by Shopee platform</b>                                  |                  |                      |
| 1(Strongly disagree)  | 3                | 2.0                  |
| 2 (Disagree)  | 8                | 5.3                  |
| 3 (Neutral)   | 28               | 18.7                 |
| 4 (Agree)   | 45               | 30.0                 |
| 5 (Strongly Agree)  | 66               | 44.0                 |
| <b>I would consider Shopee as my first choice when I need to make an online purchase.</b> |                  |                      |
| 1(Strongly disagree)  | 1                | 0.7                  |
| 2 (Disagree)  | 9                | 6.0                  |
| 3 (Neutral)   | 23               | 15.3                 |
| 4 (Agree)   | 47               | 31.3                 |
| 5 (Strongly Agree)  | 70               | 46.7                 |

Table 4 shows the survey responses on consumer trust in Shopee. From the 150 respondents on the survey, 73.3% of respondents agreed that Shopee has better quality compared to other e-commerce platforms, while 3.4% of respondents disagreed with the statement. This indicates that consumers still believe in Shopee's quality. Next, the majority of 81.3% of respondents agreed with the comfortability and safety of Shopee's services and only 2% of the respondents disagreed with the statement. Meanwhile, the responses are still positive as 74% of respondents have purchased many products on Shopee, 7.3% still disagreed. Based on the last statement above, it is concluded that the majority of 117 respondents, representing 78% of respondents, agreed that they would consider Shopee as their first choice when they purchase online, while only 10

respondents disagreed. This is impressive as the consumers will still maintain their strong loyalty and purchase intention on the Shopee platform.

## **DISCUSSION**

This study examined the factors that influence Shopee to succeed in the global E-commerce market in Malaysia. Based on the findings, results indicate that most of the consumers were satisfied with consumer behavior and experience. The result shows that most of the respondents have used Shopee to shop online before and respondents very much enjoy using Shopee for buying products online. This indicates that Shopee had provided a good experience for the consumer. Next, through this study, the researchers believe that electronic shopping can influence consumer behavior and experience. It is because the good quality of the information provided by electronic shopping can guarantee consumers to find information quickly and make an order. The consumer will be loyal to an e-commerce website when the website is able to provide the best value and services for the consumer. To compete with other competitors, researchers believe that a website plays a vital role in success in the e-commerce market, it is because a consumer will choose the useful and economical value and affordable price through the website. Therefore, Shopee's website must keep it simple and easy to use. If the website is impractical, the customer may turn to other platforms. Besides that, the price also influences consumer behavior and experience. According to the research above, the result shows that respondents were satisfied with Shopee's price compared to other competitors. If the price is too high and not affordable, the consumer may choose another e-commerce platform for shopping. Moreover, Shopee used strong marketing strategies which always provided Free Shipping options during a festival like New Year. This free shipping tag helps to boost product exposure and sales. The green free shipping truck icon helps Shopee's product stand out and look more attractive.

This study indicates that consumer convenience has influenced Shopee to succeed in the global E-commerce market in Malaysia. Results show that most of the respondents were satisfied with it. According to (Delafrooz et al., 2009), convenience is measured using a structure comprised of three elements: time spent shopping, location to shop, and purchasing process. It can effectively persuade customers to make online purchases. It may be stated that convenience is a main motivator or factor that encourages consumers to pick an online platform over a physical store. Based on the findings, most of the respondents choose Shopee Pay as a payment option as it is convenient and easy to use. Therefore, Shopee cleverly uses Shopee Pay as a payment option to retain the customer as by using Shopee Pay consumers can get more discounts or can get a free shipping voucher when purchasing products. Besides Shopee Pay, Shopee also provides a lot of payment methods such as cash on delivery, credit or debit card, online banking so that Shopee can meet consumer needs. Each coin has two sides, based on the findings, the researcher found out that the most challenging problem that consumers faced on Shopee is slow shipping time and lack of the products that consumers want. Researchers believe that this will influence consumers' intention to purchase on Shopee. When consumers order something online, they expect it to arrive on time and received products in a good condition. By guaranteeing parcels arrive promptly, a business can build customer satisfaction and convenience in the long term. Moreover, Shopee has to provide various products to meet consumer needs. Providing various types of products can give consumers more choices. Researchers believe that solving this problem can increase the intention of consumer purchase on Shopee.

Furthermore, the research also shows that Shopee has better quality compared to other e-commerce platforms because Shopee determines the quality of the product and provides sufficient information to the customers. The perceived level of satisfaction of

users with the technical and functional performance of the website is referred to as system quality (Kim et al., 2012). Shopee will place a greater emphasis on system attributes such as website usability, navigation, response speed, and download time. It is also more seller-friendly than other platforms that the customers feel comfortable and safe when using Shopee's services, as it provides good customer services and focuses on the importance of customer experience. The customers also purchased lots of products from Shopee. This indicates that Shopee provides better performance in terms of price, delivery services, and product quality. Customers will consider Shopee as their first choice when they make an online purchase. This shows that Shopee gains lots of support from the customers. Consumers will be more likely to utilize an e-commerce website if it has a stable operating system that is simple to use. Thus, consumers of Shopee will be loyal to an e-commerce website if it can give them the best value of perceived usefulness and trust.

## **CONCLUSION**

In a nutshell, data analysis revealed that customer satisfaction with Shopee for online purchases was excellent. On the other hand, customer loyalty is crucial, and it must be maintained and developed because it is considerably simpler to keep existing users than to recruit new ones. Shopee employs a marketing communication strategy that emphasizes the tangible aspect of the goods rather than the website as the primary marketing instrument.

Shopee also uses data and artificial intelligence (AI) to assist businesses to deliver unique shopping experiences for their customers by providing insights and patterns from audience browsing and sales data, as well as new technologies like AI and AR-powered apps. To compete in the global e-commerce sector, managers can adopt the findings of this study to gain useful insights and support in better understanding organizational behavior and enhancing consumer happiness.

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N/A

## **DECLARATION OF CONFLICTING INTERESTS**

The authors have no conflicts of interest to declare.

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