
Analysis of the Effectiveness of Using E-Commerce Marketplaces Shopee and Tokopedia in Loxus Living Company

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ABSTRACT

The analysis reveals the impact of utilizing E-Commerce Marketplaces such as Shopee and Tokopedia in the strategies of Loxus Living Company. The adoption of e-commerce platforms like Shopee and Tokopedia plays a vital role for businesses aiming to enhance their competitiveness and sales in the modern digital landscape. This study delves into how Loxus Living Company leverages these marketplaces to boost its online visibility, drive sales, and monitor advancement towards set objectives. Factors such as user experience, safety, and transaction efficiency are considered when evaluating e-commerce success. The results illuminate how utilizing technology, and new media can boost business growth and expand the market.

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1. INTRODUCTION

The implementation of internet technology is anticipated to significantly benefit the competitive landscape of the business world. Companies that thrive in this environment are those that effectively incorporate technology into their operations. One effective method for harnessing technology to boost competitiveness and sales is through e-commerce, which allows for the marketing of both physical and digital products and services. By adopting this technology, various stakeholders in the business ecosystem such as investors, consumers, and government entities have benefited [1-6]. The phrase "new media" or digital era pertains to the rise of the internet and computer information technology. New media typically refers to digital technologies that can be accessed online or offline, whereas traditional media like print, television, magazines, and newspapers are not included in this classification. The transition to new media or the internet is driven by a cultural shift in how information is shared. In his book "Theory of Mass Communication," Denis McQuail characterizes new media as telematic media, which encompasses various electronic technology devices with diverse applications. Furthermore, Martin Lister and his associates highlight that new media possesses several attributes, including being digital, interactive, hypertextual, virtual, online, and simulated. In the realm of companies or organizations, the use of digital technology can lead to more straightforward and efficient growth [7-11].

E-commerce is a component of new media including electronic commerce, technology, applications, and businesses that link companies or individuals as consumers for the purpose of carrying out electronic transactions, trading goods, and disseminating information via the internet, television, or other computer networks. Setting up an online store is a complex endeavor; numerous factors must be considered, such as ensuring a user-friendly experience for consumers on the platform [12,13]. An effective online shopping platform should guarantee the safety and ease of transactions for all its users, including both sellers and buyers.

The primary objective of moving to e-commerce is to boost sales volume. A significant challenge that arises is determining how companies can accurately assess their progress in achieving this increase and track whether sales are genuinely growing in line with the predetermined goals.

2. METHOD

This study starts with an exploration phase and the gathering of references from trustworthy sources such as the internet and scholarly journals. The subsequent step is to conduct a survey among companies. After successfully collecting the initial data, the researcher will concentrate on thoroughly identifying and formulating the research problems. Following this, data will be meticulously collected through interviews and questionnaires, leading to the creation of a research report that presents a comprehensive explanation of the findings derived from the data analysis. The report will also include an extensive discussion on the implications of the research outcomes. Furthermore, it will offer pertinent recommendations or suggestions for those involved or interested in the research subject. In this study, the data sources include both primary and secondary data. Primary data is gathered directly by the researcher from original sources. This includes observations of the effectiveness of e-commerce practices at Loxus Living and the distribution of questionnaires for customers to complete. On the other hand, secondary data is collected from information available on websites and e-commerce platforms utilized by Loxus Living. The researcher directly gathers this data or information.

This study employs a quantitative method to analyze the effectiveness of using the e-commerce platforms Shopee and Tokopedia at Loxus. This approach involves the collection and analysis of quantitative data to address research questions and achieve established objectives. The research methodology includes several steps, such as research design, data collection, data analysis, and interpretation of results. The research design adopted is a case study, focusing on Loxus Living's use of the Shopee and Tokopedia e-commerce platforms. Data collection is carried out through structured surveys distributed to employees and customers involved in using the Shopee and Tokopedia marketplaces. The survey includes questions regarding the use of these platforms, their effectiveness, benefits gained, and challenges encountered. Additionally, data is gathered from transaction records and sales performance available on the e-commerce platforms. Once the data is collected, analysis is performed using statistical methods such as descriptive analysis, statistical testing, and regression analysis. This analysis aims to identify the relationship between the use of Shopee and Tokopedia and the sales performance of Loxus Living, as well as to assess the effectiveness of these platforms.

The research findings will be interpreted by analyzing the results from the data and relating them to the research objectives. It is anticipated that this study will provide deeper insights into the effectiveness of using the Shopee and Tokopedia marketplaces at Loxus Living, including the benefits obtained and the challenges faced. Furthermore, the research aims to offer recommendations for enhancing the use of these platforms. By employing this quantitative research method, the study aims to provide an objective and fact-based understanding of the effectiveness of the Shopee and Tokopedia e-commerce marketplaces at Loxus Living. It is hoped that this research will contribute valuable knowledge to the field of e-commerce and online business development. The population for this study includes customers of Loxus Living who are at least 15 years old and engage in shopping through e-commerce platforms like Shopee and Tokopedia, as well as through offline methods. Shopee and Tokopedia were the main marketplaces that Loxus Living used when it began its e-commerce operations. The age range chosen by the author is informed by prior research, which shows that 10% of customers fall within the 15 to 20 age group, 15% are between 20 and 25, and the remaining 25% are over 25 years old. To establish the research sample, the author utilized a random sampling method to select respondents who would participate in the study as customers of Loxus Living, resulting in a valid sample of 52 respondents.

The author used a questionnaire as a research tool consisting of two parts: an introductory sheet and a question sheet. The introductory sheet explains the author's purpose in conducting this research, while the question sheet includes 10 questions designed to explore the responses and interests of respondents when shopping at Loxus Living. The author applied a five-point Likert scale. This scale consists of five answer options: "strongly disagree" with a value of 1, "disagree" with a value of 2, "neutral" with a value of 3, "agree" with a value of 4, and "strongly agree" with a value of 5. Table 1 outlines the variables and indicators used in this research.

Table 1. Questions Indicator.

Indicator	Statement
E-commerce platforms like Shopee and Tokopedia implement various security measures to protect user privacy and transaction security. However, there are concerns regarding the complete safety of personal	The e-commerce sites Shopee and Tokopedia provide security guarantees.

information on these sites. While they strive to enhance user trust through security features, it's noted that they cannot fully guarantee the safety of consumers' data. E-commerce Shopee and Tokopedia can provide guarantees for transaction security regarding products.	
Shopee and Tokopedia e-commerce can provide a guarantee of transaction security for products.	Shopee and Tokopedia e-commerce can provide a guarantee of transaction security for products.
The price of Loxus Living products on Shopee and Tokopedia has the best price offered.	The price of Loxus Living products offered on Shopee and Tokopedia is the best price offered.
The Shopee and Tokopedia marketplaces often provide discounts.	Discounts on the marketplace are an attraction for customers.
The payment system on Shopee and Tokopedia is not complicated.	Transactions on the marketplace are easy and uncomplicated
The information provided by the Shopee and Tokopedia e-commerce sites is accurate.	The information provided is what customers need and is accurate.
The completeness of information provided by the Shopee and Tokopedia e-commerce sites is very important for customers	The information provided by the marketplace is one of the important roles for customers in transaction activities
Overall, online purchases on Shopee and Tokopedia are very easy for new buyers	Transactions on the marketplace make new users more interested in shopping on the marketplace
Customers always evaluate various product options on Shopee and Tokopedia before making a purchase decision	Customers make comparisons before making purchases from various marketplaces or offline
Buying online is easier than offline	Buying interest of customers in today's era prefers online transactions

3. RESULTS AND DISCUSSION

Through a series of research efforts that included consumer questionnaires and in-depth interviews with company employees, Loxus Living Company successfully identified the significant impact that e-commerce has had on its business development. Data gathered from consumers indicates that the utilization of e-commerce has expedited the marketing process, enhanced brand visibility, and improved efficiency in sales and distribution transactions. The adoption of this e-commerce model not only facilitates smoother transaction opportunities for customers but also fosters a framework for closer engagement between the company and its customers via digital platforms. A comparison of sales data for Loxus Living Company, utilizing traditional sales methods alongside the Facebook platform, as well as sales through both Shopee and Tokopedia e-commerce, was conducted over a six-month period from February to July 2023 using the specified formula.

$$\text{sales difference} = \text{total e-commerce sales} - \text{total conventional sales} \quad (1)$$

$$\text{percentage increase in sales} = (\text{sales difference} / \text{total conventional sales}) \times 100\% \quad (2)$$

3.1. Conventional offline sales and using the Facebook platform

After utilizing sales through e-commerce, Loxus Living Company still sells its products conventionally offline and uses the Facebook platform. Product sales data for the 30-day period in February 2023 is shown in Table 2, showing a combination of offline and Facebook platform sales.

Table 2. Sales Total May 2023.

No	Item	Sales Total (2023)					
		Februari (week)				Quantity	Nominal
		1	2	3	4		
1	Loxus Cleaner	22	25	17	20	84	Rp 6.636.000
2	Loxus Instan	18	15	21	27	81	Rp 6.399.000
3	Loxus Fabric	9	22	20	16	67	Rp.2.680.000
4	Loxus Washing	11	19	24	28	82	Rp 6.478.000
5	Loxus Hardsurface	14	17	11	24	66	Rp 4.224.000
Total						380	Rp.26.417.000

In February, Loxus Living Company managed to sell a total of 380 products, with a total revenue of Rp.26,417,000. Furthermore, table 3 will display sales data conventionally and the Facebook platform for the 30-day period in March.

Table 3. Sales Total March 2023.

No	Item	Sales Total (2023)					
		March (week)				Quantity	Nominal
		1	2	3	4		
1	Loxus Cleaner	19	25	22	18	84	Rp.6.636.000
2	Loxus Instan	13	24	18	15	70	Rp.5.530.000
3	Loxus Fabric	22	12	18	15	67	Rp.2.680.000
4	Loxus Washing	18	23	21	15	77	Rp.6.083.000
5	Loxus Hardsurface	18	24	31	22	95	Rp.6.080.000
TOTAL						393	Rp.27.009.000

During March, Loxus Living Company achieved an increase in sales by successfully selling 393 products, generating total revenue of Rp. 27,009,000. However, as indicated in Table 4.9, sales in April saw a decline, with only 351 products sold and total revenue of Rp. 25,273,000. This suggests that offline conventional sales and sales through the Facebook platform were unable to match the performance of the company's overall sales. Loxus Living experienced a more significant increase in sales during this period.

Table 4. Sales Total April 2023.

No	Item	Sales Total (2023)					
		Apr (week)				Quantity	Nominal
		1	2	3	4		
1	Loxus Cleaner	22	15	20	25	82	Rp.6.478.000
2	Loxus Instan	14	11	21	16	62	Rp.4.898.000
3	Loxus Fabric	21	14	14	15	64	Rp.2.560.000
4	Loxus Washing	16	25	22	16	79	Rp.6.241.000
5	Loxus Hardsurface	17	21	15	11	64	Rp.4.096.000
TOTAL						351	Rp.25.273.000

When viewed from the sales results involving conventional offline methods and the use of the Facebook platform as an alternative, in the period between February and April, Loxus Living Company experienced obstacles in its efforts to increase the number of sales of its products. To significantly increase product sales, sales using conventional methods and using the Facebook platform were not successful. This condition shows that the sales strategy that has been implemented by the company has not been able to achieve the expected impact during the period.

3.2. Selling Using Shopee E-commerce

Furthermore, the author will display the results of product sales on the Loxus Living Company for 3 months, from May to July 2023 using the Shopee e-commerce marketplace. In Figures 1, 2 and 3, a graphic visualization reflects sales data on the Shopee marketplace e-commerce platform for a period of 30 days in May, June, and July 2023. The image provides a clear view of the sales trends that occurred during that time. The image also includes other percentage details that provide deeper insights, including the total number of orders that were successfully completed, the number of orders that had to be canceled, and the conversion rate that measures the efficiency of converting visits into successful deals.

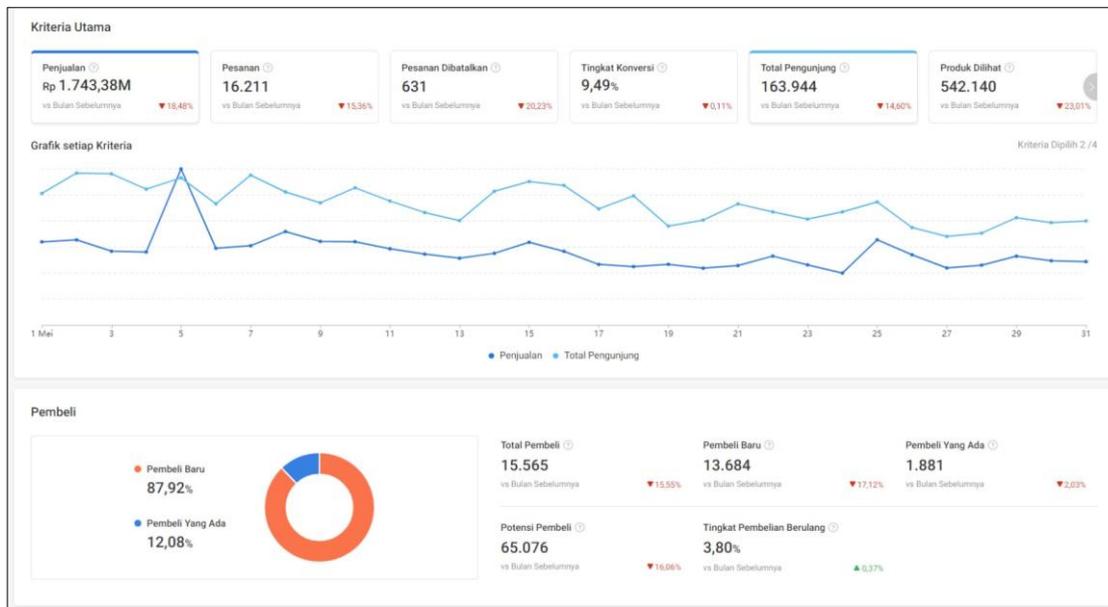


Figure 1. Shopee Sales Total May 2023.

In the 30-day period of May 2023, there was a notable increase in sales through the Shopee e-commerce platform. The total sales value reached Rp. 1,743.38 billion, with 16,211 products sold overall. Among these, 87.92% were new buyers, while 12.08% were repeat customers. The total of 16,211 products sold came from 15,565 buyers, indicating that some customers purchased more than one Loxus Living product in a single transaction. Additionally, the analysis of the graph in Figure 2 reveals that the sales surge occurred between the 4th and 6th of May 2023. This increase can be attributed to the campaigns implemented on the Shopee marketplace, where Shopee offered subsidies and discounts on select products during that time. Following these dates, sales and customer visit activity remained relatively stable.

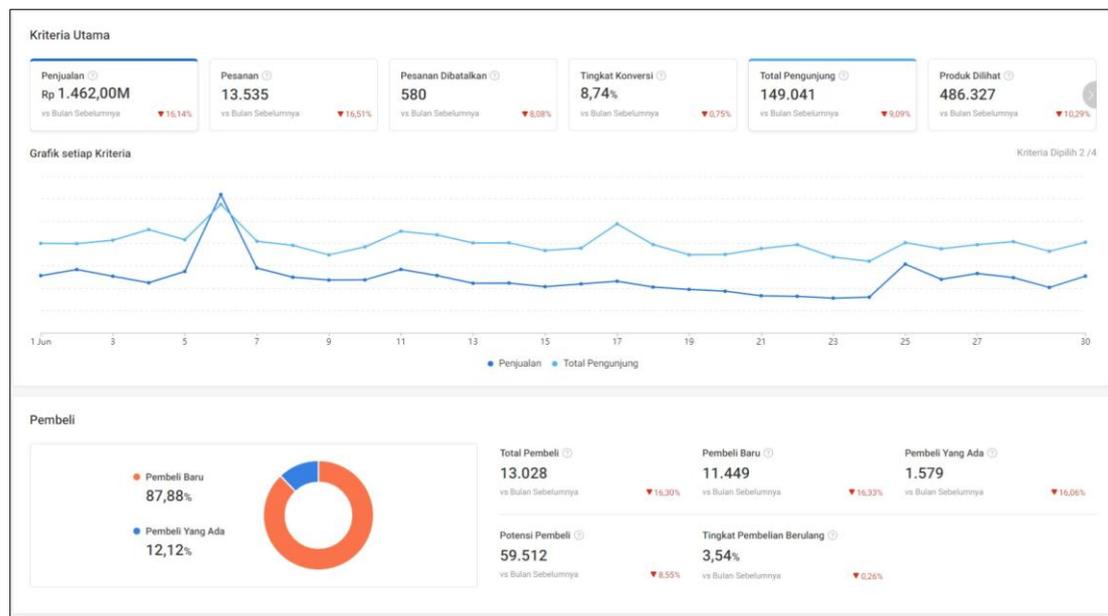


Figure 2. Shopee Sales Total June 2023.

During the 30-day period of June 2023, the sales value reached Rp. 1,462.00 million, with a total of 13,535 products sold. Of these, 87.88% were new buyers, while 12.12% were repeat customers. The total of 13,535 products sold came from 11,449 buyers, indicating that some customers purchased more than one Loxus Living product in a single transaction. Additionally, the analysis of the graph in Figure 3 shows that the sales increase occurred between the 5th and 6th of June 2023. This surge can be attributed to campaigns run on the

Shopee marketplace, where Shopee offered subsidies and discounts on select products during that time. After these dates, both sales and customer visit activity remained relatively stable.

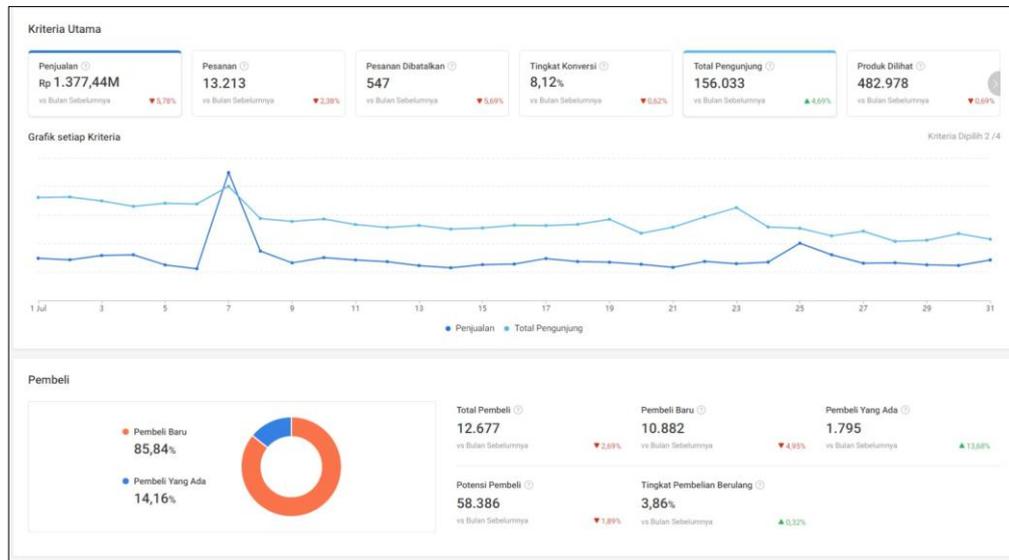


Figure 3. Shopee Sales Total July 2023.

In the 30-day period of July 2023, the sales value reached Rp. 1,377.44 billion, with a total of 13,213 products sold. Among these, 85.84% were new buyers, while 14.16% were repeat customers. Analyzing the distribution of buyers, those who had made previous purchases from May to July 2023 saw an increase of 2.08%. Additionally, the total of 13,213 products sold came from 10,882 buyers, indicating that some customers purchased more than one Loxus Living product in a single transaction. The analysis of the graph in Figure 4.10 shows that the increase in sales occurred between the 6th and 7th of July 2023. This surge can be attributed to campaigns conducted in the Shopee marketplace, where Shopee offered subsidies and discounts on selected products during that time. Following these dates, sales and customer visit activity remained relatively stable.

3.3. Sales Using Tokopedia E-commerce

To compare product sales, the author will present the sales results for Loxus Living Company over a three-month period, from May to July 2023, utilizing the Tokopedia e-commerce platform. Figures 4, 5, and 6 feature pie chart visualizations that illustrate sales data on the Tokopedia platform for 30-day intervals in May, June, and July 2023. These charts provide a clear representation of the sales trends observed during this timeframe. Additionally, the figures include a breakdown of the total number of successfully completed orders, the count of orders that utilized free shipping, and the percentage increases and decreases in sales, which are used to assess the percentage change in sales figures over the specified period.



Figure 4. Tokopedia Sales Total July 2023.

Figure 4 shows data for a 30-day period in May 2023. The total accumulated revenue reached the amount of Rp.28,708,000. During this period, the total quantity of products successfully sold reached 392 products. From the overall revenue, sales through the free shipping service reached a total of Rp.22,000,000, with details of 322 products sold. Meanwhile, sales that did not use free shipping services reached a total of Rp.6,708,000, with details of 70 products sold.



Figure 5. Tokopedia Sales Total June 2023.

Figure 5 shows data for a 30-day period in June 2023. This data shows an increase in revenue from May with the percentage achieved by Loxus Living Company is 11%. The main factor in the increase in sales is the existence of more free shipping service vouchers that can be used by customers. The total accumulated revenue reached the amount of Rp.29,164,000. During this period, the total quantity of products successfully sold was 401 products. From the overall revenue, sales through the free shipping service reached a total of Rp.25,004,000, with details of 335 products sold. Meanwhile, sales that did not use the free shipping service reached a total of Rp.4,160,000, with details of 66 products sold.



Figure 6. Tokopedia Sales Total July 2023.

In the 30-day period in July 2023. Figure 4.13 shows data showing an increase in revenue from June with the percentage achieved by Loxus Living Company is 17%. The main factor in the increase in sales can be seen due to the existence of more free shipping service vouchers that can be used by customers. The total accumulated revenue reached the amount of Rp.36,893,000. During this period, the total quantity of products successfully sold was 467 products. From the overall revenue, sales through the free shipping service reached a total of Rp.32,093,000, with details of 403 products sold. Meanwhile, sales that did not use free shipping services reached a total of Rp.4,800,000, with details of 64 products sold.

4. CONCLUSION

Based on the findings presented in this study, the analysis of the graph and sales percentages indicates that the increase in sales from conventional methods to e-commerce platforms is approximately 5,712.45%. This demonstrates a substantial rise in sales during the observed period. Second, the sales data, which encompasses both traditional sales and those via the Shopee and Tokopedia e-commerce platforms, reveals that sales on these two platforms outperformed conventional sales. This highlights Loxus Living's success in

optimizing its sales channels. Conventional sales figures were recorded at Rp. 26,417,000 in February, Rp. 27,009,000 in March, and Rp. 25,273,000 in April. In contrast, sales through Shopee reached Rp. 1,743.38 million in May, Rp. 1,462.00 million in June, and Rp. 1,377.44 million in July. For the Tokopedia platform, sales were Rp. 28,708,000 in May, Rp. 29,164,000 in June, and Rp. 36,893,000 in July. And the average consumer convenience level for shopping on both e-commerce platforms of Loxus Living Company was very positive, with an overall score of 45.96 out of 2390 and a cumulative score of 183.85 out of 9560 for the aspects affecting convenience. Users expressed satisfaction and comfort while transacting on Shopee and Tokopedia for Loxus Living Company products.

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