

## The Strength of OVO Digital Wallet on Effect of Online Sales toward Purchasing Decisions

Alief Yuda Kurniawan, Pudjo Sugito\*, Christina Sri Ratnaningsih  
Fakultas Ekonomi dan Bisnis, Universitas Merdeka Malang  
Jl Terusan Raya Dieng 62-64 Malang 65146  
\*pudjo.sugito@unmer.ac.id

### Abstract

This study aims to analyze the strength of effect online sales on purchasing decisions, analyze the effect of online sales on the OVO digital wallet, analyze the effect of the OVO digital wallet on purchasing decisions, analyze the mediating function of the OVO digital wallet on the effect of online sales on purchasing decisions. The sampling technique used accidental sampling technique with e-questionnaire as the main data collection tool. Based on the primary data from 60 respondents who were collected and analyzed using Smart Partial Least Square (PLS) data processing program, it was revealed that online sales significantly effects the purchasing decision, and it was also revealed that ovo digital wallet significantly mediates the interrelationship. Therefore, the results of this study provide important information for business entities as well as for other researchers who will conduct further research related to purchasing decisions. Also, the results of this research can certainly be generalized, whenever, of course, other research is needed with different objects and populations.

**Keywords:** Online Sales, OVO Digital Wallet, Purchasing Decision

### Abstrak

*Penelitian ini bertujuan untuk menganalisis kekuatan pengaruh penjualan online terhadap keputusan pembelian, menganalisis pengaruh penjualan online pada dompet digital OVO, menganalisis pengaruh dompet digital OVO terhadap keputusan pembelian, menganalisis fungsi mediasi dompet digital OVO terhadap pengaruhnya. penjualan online terhadap keputusan pembelian. Teknik pengambilan sampel menggunakan teknik accidental sampling dengan e-questioner sebagai alat pengumpulan data utama. Berdasarkan data primer dari 60 responden yang dikumpulkan dan dianalisis menggunakan program pengolahan data Smart Partial Least Square (PLS), terungkap bahwa penjualan online berpengaruh signifikan terhadap keputusan pembelian, dan juga terungkap bahwa dompet digital ovo secara signifikan memediasi hubungan timbal balik. . Oleh karena itu, hasil penelitian ini memberikan informasi penting bagi badan usaha maupun bagi peneliti lain yang akan melakukan penelitian lebih lanjut terkait keputusan pembelian. Selain itu, hasil penelitian ini tentunya dapat digeneralisasikan, kapanpun tentunya diperlukan penelitian lain dengan objek dan populasi yang berbeda.*

**Kata Kunci:** Keputusan Pembelian, OVO Digital Wallet, Penjualan Online

## INTRODUCTION

The very rapid development of technology has led people to create an innovation that makes it easier for people to carry out their daily activities, especially in the economic sector, such as transactions, namely by creating digital wallets (e-wallets). The situation that is currently popular is the increasing number of online payment systems through mobile payment (m-payment) applications where consumers do not need to carry large amounts of cash to carry out transaction activities, but simply the funds transfer method or scan QR code (quick response) in various stores in collaboration with mobile payment service providers (Ryu & Murdock, 2013; Widiyati & Hasanah, 2020).

Using non-cash payment access makes transactions easier and simpler so it is hoped that people will have no difficulty in carrying out transaction processes such as buying and selling or carrying large amounts of cash. One of the android applications that can be used for payment is the OVO application which can be downloaded via the Play Store and Apple IOS (OVO, About Us, 2018). The use of the OVO application can support the needs of people who want to quickly and easily make transactions so that it does not take longer and saves costs because they do not travel to the seller's or buyer's place to make transactions. Save in terms of cost and time, which makes using the OVO digital wallet popular, especially among business people, workers and students (Widayat & Arifin, 2020).

The ease of buying and selling transactions also affects online sales. Most of the sellers of food, clothing, office and household equipment are connected to online services such as Grab and Tokopedia which are directly connected to OVO. OVO, which functions as mediation, facilitates transactions by sending a nominal amount of money that has been agreed upon between the seller and the buyer. Even though it ranks second for the most popular digital wallets in 2020, with the highest monthly active use after GOPAY (Devita, 2020), OVO is still popular because it offers cashback of up to 60% at several merchants such as Grabcar, Grabbike GrabFood for a week (Setyowati, 2019) . OVO also has an impact on online sales because based on Bank Indonesia data, OVO holds a total of 37 percent of all digital payment transactions in the first half of 2019. Fintech companies also collaborate with Tokopedia and Grab so that they have strong online services (Yadiati & Meiryani, 2019).

The trust, convenience and risk perception involved in using digital wallets can affect purchasing decisions, namely between the two parties transacting online. The current phenomenon has led people, especially students to make online purchases, because it is both practical and economical. Everyone who has bought goods online will do it again or repeatedly, even though there are risks involved in online purchases (Salsabila et al., 2021).

The trust variable has a significant effect on online purchasing decisions (Raya, 2018). When transacting online, prospective buyers do not meet the seller directly, so they only rely on trust between the two parties, trust in the goods to be purchased because goods are only seen through photos and information provided by the seller.

The convenience offered by technological advances facilitates consumers who have limited time to meet their needs. With online shops, online food delivery services,

and online motorcycle taxis, all of these services make it easy to shop and save time looking for vehicles to travel. They just need to open the mobile application, select the desired item and pay via bank transfer using mobile banking or digital wallet balance, which is currently a superior product in the payment process.

According to research conducted by Yunita et al. (2019), it shows that online purchasing decisions are also influenced by risk perceptions. This is because the buyer does not know and see the goods to be purchased directly. Even with the online system, there are also risks such as abuse and increasing crime. The rise of irresponsible people using technology or the internet to commit fraud, credit card hackers and illegally transferring funds from account cards.

One of the names for Malang City is the city of education. This name emerged because of the large number of campuses and schools in Greater Malang since the Dutch East Indies era. There are at least more than 80 universities scattered in the Greater Malang area (Permana, 2016). The large number of tertiary institutions has finally attracted students from outside the city, who fill Malang City to study. The number of students studying in Malang City has an impact on the development of the creative economy, especially in the culinary field which dominates online sales, as evidenced by a survey by the Director of Research for Creative Economics at 41 percent, fashion 18 percent, and craft 15 percent (Ratri, 2019).

Students who study, of course, cannot be separated from their daily needs, one of which is food. Purchasing food is made easier with online services such as GrabFood, which facilitates students who don't have much time, and are lazy to leave. This also makes students use OVO digital wallets, because online payments available on Grab are only OVO. Another need is a vehicle for students who do not drive a vehicle while living in Malang City, in this case an online service such as GrabBike, students only need to open the application and order an ojek without leaving the boarding house. Therefore, the aims of the research are (1) to analyze the strength of the effect of online sales on purchasing decisions, (2) to analyze the effect of online sales on the OVO digital wallet, (3) to analyze the effect of the OVO digital wallet on purchasing decisions, (4) to analyze the mediating function of the OVO digital wallet on the effect of online sales on purchasing decisions.

## LITERATURE REVIEW

In general, the OVO digital wallet is a mobile application that can be used for online transactions so that consumers do not need to pay cash for goods or services to be purchased. As for the understanding of the official website that OVO itself is a smart application that gives you a greater opportunity to collect points in many places. You can use OVO to transact at all merchants marked with OVO Accepted Here and collect and use OVO Points at merchants marked with OVO Zone (OVO, 2021a). OVO also offers a membership for its users, namely the presence of OVO Premier. By upgrading to OVO Premier, users will get the convenience of transfers to bank accounts & free transfers between users, as well as an OVO Cash balance limit of up to IDR10.000.000. The convenience that is obtained by using the OVO digital wallet is that when you want to top up for OVO Cash it can be done practically anywhere, can be via ATM, m-Banking, Internet

Banking, Debit Card and through cooperating merchants. OVO has more than 60,000 outlets spread from Sabang to Merauke. Every time you shop at the user's outlet, you will get a point, which is equivalent to one rupiah. OVO also often holds promotions such as discounts for targeted outlets, and offers discounts of up to 60 percent (OVO, 2021b). Selling generally means an activity or business that sells products or services for profit. In the sales process, the provider of goods or services gives ownership of a commodity to the buyer at an agreed or determined price. Sales are a part of promotion and promotion is a part of overall marketing (Dharmmesta & Handoko, 2014).

Sales activity is a complementary activity or supplement to purchases, to enable transactions to occur. So buying and selling activities constitute an integral part of the transfer of rights or transactions. Therefore, selling activities like buying activities, consists of a series of activities which include creating demand, finding the buyer, negotiating the price, and terms of payment in this case, this sale, like the seller, must determine the policies and procedures to be followed to allow the implementation of the specified sales plan (Assauri, 2011). Echols and Shadily (2005) provide a definition of online. Online means ongoing, and line means lines, sequences, distances and themes. In short, online means the ongoing process of accessing information via the internet. It can be concluded from the two notions of sales and online according to experts that online selling is a business activity or buying and selling of service products that are sold through applications, websites, or other media connected to the internet.

Online sales are often referred to as E-commerce. The era of globalization, such as the current development of technology, is very fast, which affects developments in the business field. This development in the field of business or entrepreneurship is the presence of e-commerce which is used to facilitate transactions between consumers and producers. E-commerce is the result of the development of information technology in the field of entrepreneurship which is currently important because every organization needs it for the purposes of marketing products that are sold, both in the form of goods and services (Mumtahana et al., 2017; Nabila & Sulistyowati, 2020)

The meaning of e-commerce by other experts, namely the implementation of e-commerce is aimed at taking advantage of the existence of business activities such as buying and selling activities, providing information and trading carried out online or utilizing internet networks (Ilgamo & Falianty, 2019; Listianto et al., 2017). E-Commerce also has an influence in making it easier for sellers to offer their products to consumers without the need to meet in person. Buying and selling transactions can still be done with an application or website that is directly connected to the internet network. In this application, prospective buyers are not only given information about the physical form of the product but also price, feedback from previous buyers, location and delivery services. This can make potential buyers more confident and not hesitate to buy products online. According to Sangadji and Sopiah (2013), Sugito et al. (2020) and Gunawan et al. (2019), purchasing decisions are consumer perceptions of the choice of two or more alternative purchase decisions, meaning that a person can make a decision, if several alternative choices are available. The purchase decision is a selection of two or more alternative options. For consumers, the decision process is an important activity because in the

purchase decision process it is an important activity because in the process contains various steps that occur sequentially before consumers make a decision. When consumers decide to buy, consumers will find a series of decisions that must be made regarding the type of product, brand, seller, quality, time of purchase, and method of payment. So each company can try to simplify the decision making that will be made by consumers (Aldiabat et al., 2019; Dharmmesta & Handoko, 2014; Setijani et al., 2020). Therefore, based on the theoretical background and several previous research above, the hypotheses this study are (1) online sales significantly effect on purchasing decisions, (2) online sales significantly effect on the OVO digital wallet, (3) OVO digital wallet significantly effect on purchasing decisions, and (4) OVO digital wallet mediates the effect of online sales toward purchasing decisions. Further, Conceptual research framework is as follows.

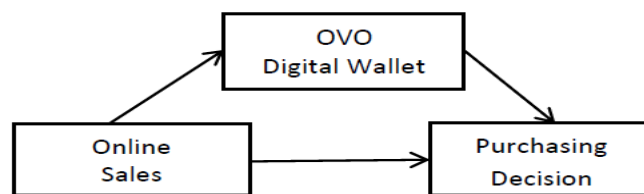


Figure 1. Conceptual Research Framework

Based on figure 1, explained that conceptually, there is linkage among online sales, OVO digital wallet and purchasing decision. The figure is formulated from research purpose and several relevant previous research.

## RESEARCH METHOD

The operational definition of research variables is an attribute or nature or value of an object or activity that has certain variations that have been determined by researchers to be studied and then conclusions drawn (Sugiyono, 2017). Online sales or e-commerce by other experts, namely the implementation of e-commerce is intended to take advantage of the existence of business activities such as buying and selling, providing information and trading carried out online or utilizing internet networks (Listianto et al., 2017).

The population in this study were students in Malang City. According to Sugiyono (2017), population is a generalization area consisting of objects and subjects that become certain quantities and characteristics that are applied by researchers to study and then draw conclusions. The sample is part of the number and characteristics of the population. The sample is part of the population that the researcher wants to study. According to Sugiyono (2017) "The sample is part of the number and characteristics of the population". So the sample is part of the existing population, so the sampling process must use a certain way based on existing considerations. The sample in this study uses the Hair Formula. Hair formula is used because the population size is not known with certainty. According to Hair et al. (2010) that if the sample size is too large, then the method becomes very sensitive, so it is difficult to get good goodness of fit measures. So it is suggested that the minimum sample size is 5-10 observations for each parameter estimated. The number of

questions in this study amounted to 12 questions, so the sample calculation results were obtained as follows: Sample size =  $5 \times 9 = 45$ . So, the sample used as respondents is at least 45 respondents. This is because the researcher conducts research on students in Malang City. The sample collection technique in this study was simple random sampling (simple random sampling). In Ruqo'iyeh (2012) states that the definition of simple random sampling (simple random sampling) is a method of taking samples by choosing directly from the population and the chance for each member of the population to become a sample is very large. The implementation of simple random sampling is because the members of the research population are considered homogeneous because the samples taken are students in Malang City.

Sources of data used in this study are sources primary data. Primary data sources are data sources that directly provide data to the data collector (Sugiyono, 2017). Meanwhile, the primary data sources are students in Malang City. The type of data used in this research is quantitative data. Quantitative research is a research method that deals with numbers and statistical analysis. According to Sugiyono (2017) quantitative data is data in the form of numbers, or quantitative data that is assessed (scoring). So quantitative data is data that has a tendency to be analyzed by statistical means or techniques. The data can be in the form of numbers or scores and is usually obtained using a data collection tool whose answers are ranges of scores or weighted questions. The data collection techniques used in this study were in the form of a questionnaire made by the researchers themselves. Sugiyono (2017) states that the research instrument is a data collection tool used to measure observed natural and social phenomena. Thus, the use of research instruments is to find complete information about a problem, natural and social phenomenon. The instrument used in this study was intended to produce accurate data by using a Likert scale.

The stratified scale in this study uses a Likert scale modification with 4 answer choices, namely, strongly agree, agree, disagree, and strongly disagree. According to Sugiyono (2017) in this questionnaire provides 4 (four) alternative answers, namely: Strongly Agree (SS) with a score of 4, Agree (S) with a score of 3, Disagree (TS) with a score of 2, Strongly Disagree (STS) with a score of 1. The four answer choice scales used for the Likert scale questionnaire force respondents to choose one pole because the "neutral" option is not available. In addition to the usual 5 (five) scale options, 7 (seven) or 9 (nine) levels are sometimes used. Four choice scales are also sometimes used as a Likert scale questionnaire which instructs respondents to choose one of the preferred poles because the "neutral" option is not available. The Likert scale sometimes eliminates the middle of the poles of agreeing and also disagreeing, namely "neutral". In this case the respondent is forced to go to the poles of agree or disagree.

A measurement scale is called valid if it does what it should be done and measures what it should be measured. According to Ghazali and Latan (2015) the validity test is used to measure the validity or validity of a questionnaire. If the measurement scale is invalid then it is of no use to the researcher because it does not measure or do what should be done. The validity test used in this study is to use the Pearson correlation. If the sig value is less than 0.05, it is declared valid (Kuncoro, 2013). A questionnaire is said to be reliable

or reliable if a person's answer to a question is consistent or stable over time (Ghozali & Latan, 2015). Reliability shows the consistency of a score (measurement scale). Reliability is different from validity, reliability focuses on the problem of consistency and pays more attention to the problem of accuracy (Kuncoro, 2013). The reliability test used in this study was to use Cronbach alpha, with measurements said to be reliable if Cronbach alpha > 0.6 and Cronbach alpha if items deleted < Cronbach alpha. Further, Partial Least Square is an alternative approach that shifts from a covariance-based Structural Equation Model (SEM) approach to variant-based (Ghozali & Latan, 2015). Covariance-based SEM generally tests causality or theory, while PLS is more of a predictive model.

Table 1. Parameters of validity &amp; reliability measurement test

Test	Parameters	Rule of Thumb
Convergent Validity	Loading Factors	>0.50
	Average Variance Extracted	>0.40
Discrimant Validity	Cross Loading	>0.60
	Communality	>0.50
Reliability	Cronbach Alpha	>0.60
	Composite Reliability	>0.60

GoF: small = 0,1, GoF: medium = 0,25, GoF: large = 0,38

Sources: Harkiolakis (2017)

The purpose of using PLS (Partial Least Square) is to make predictions. Which in making these predictions is to predict the relationship between constructs, in addition to helping researchers in their research to obtain latent variable values that aim to make predictions. Harkiolakis (2017) and Kock (2013) Furthermore, after the measurement test was carried out and all parameters of the measurement model were declared robust, testing of good of fit (GoF) index and hypothesis testing were conducted. The good of fit index test on PLS- SEM used the Tenenhaus standard (2014), if the value of GoF was small = 0.1, GoF medium = 0.25 and large GoF = 0.38. After that, the hypothesis test was conducted using the SmartPLS 3 Professional data processing program and hypothesis acceptance / rejection criteria where Probability (P) coefficient was less than 0.05 and t-statistic was greater than 1.96 (Harkiolakis, 2017).

## RESULT AND DISCUSSION

Based on the results of data analysis with the help of the Partial Least Square (PLS) data processing program using two stages of evaluation of the measurement model (outer model) and evaluation of the structural model (inner model). The results of the outer model and inner model are revealed below.

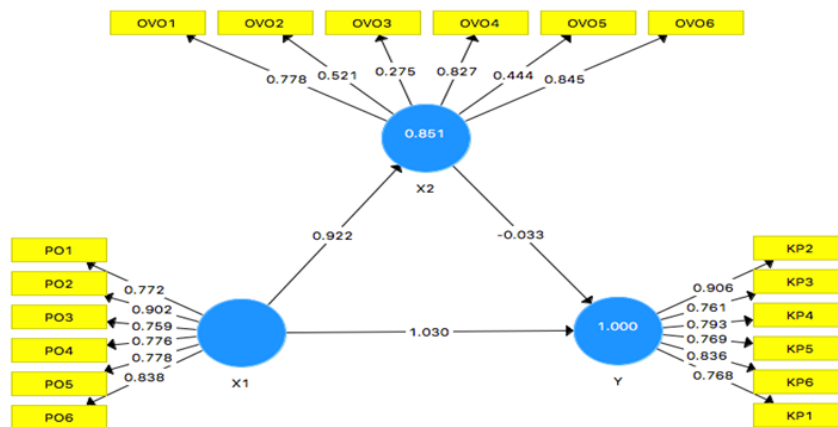


Figure 2. Path Coefficient Diagram  
 Source: Primary Data, 2021

Based on Figure 2, loading factors for several indicators are invalid because they have a coefficient of less than 0.50. Invalid indicators include OVO 3 (0.275) and OVO 5 (0.444). These indicators must be removed from the model. The elimination of indicators will be followed up by re-estimating. Re-estimation aims to evaluate the measurement model, intended to re-check the validity of loading factors for each indicator. If the validity test with outer loading has been fulfilled, the measurement model has the potential to be tested further. To simplify the visualization of the re-estimation results, a path diagram of the measurement model is presented in Figure 3 below:

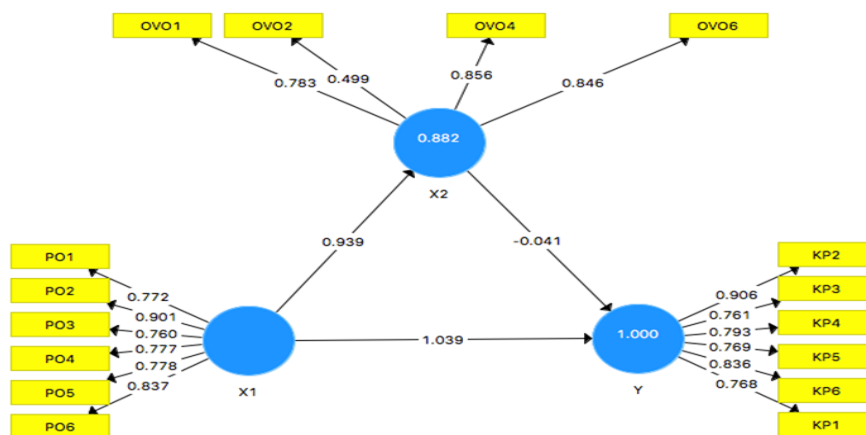


Figure 3. Path Coefficient Diagram re-estimate result of model 1  
 Source: Primary Data, 2021

From Figure 3 above, it can be seen that there are still invalid indicators from the re-estimation model, namely OVO 2 (0.499), therefore a re-estimation is carried out which aims to obtain validity on the outer loadings of each indicator. To simplify the visualization of the re-estimation results, a measurement model path diagram is presented in Figure 4 below:



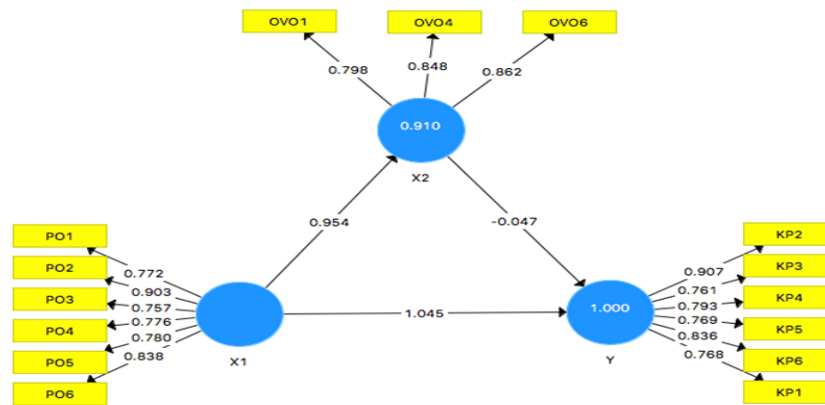


Figure 4. Path Coefficient Diagram re-estimate result of model 2  
 Source: Primary Data, 2021

The re-estimation result of the second model shows that all indicators have good validity because they have outer loadings of more than 0.50. Therefore, the validity test with outer loadings has been fulfilled, so the measurement model has the potential to perform hypothesis testing. In this study, to determine the validity of the research data, the researcher used the convergent validity test using the Average Variance Extracted (AVE) parameter, if  $AVE > 0.4$  then the data was valid. The results of data validity testing can be seen at the following.

Table 2. Data Validity Test

No	Variabel	AVE	Status
1	Purchasing Decision	0.651	Valid
2	Online Sale	0.649	Valid
3	OVO Wallet	0.425	Valid

From Table 2, it can be seen that the variables of purchasing decisions, online sales, and OVO digital wallets are valid, this can be seen from the AVE value of each variable which has an AVE value  $> 0.4$ . The level of reliability of a research variable can be seen from the results of the Cronbach Alpha ( $\alpha$ ) statistical test. The variable or construct is said to be reliable if the Cronbach Alpha value is  $> 0.6$ . The more the alpha value is closer to one, the more reliable the data reliability is. The results of the reality can be seen in Table 3 below

Table 3. Reliability of Research Variables

No	Variables	$\alpha$	Notes
1	Purchasing Decision	0.892	Reliable
2	Online Sale	0.891	Reliable
3	OVO Wallet	0.727	Reliable

From the data in Table 3, it can be seen that all variables including purchase decisions, online sales, and OVO digital wallets are all reliable. All variables are declared reliable because each Cronbach Alpha ( $\alpha$ ) all variables have a value above 0.6.

Hypothesis testing in this study uses the Path Coefficients and Specific Indirect Effects test. Path coefficient is used to find the relationship between one variable and another variable. Specific Indirect Effect is used to see the relationship between one variable and another indirectly or mediated by other variables. In addition, there are several criteria that must be met, namely the original sample, the T-statistic, and the P-value. The original sample value is used to see the direction of hypothesis testing, if the original sample shows a positive value, it means the direction is positive, and if the original sample value is negative, it means the direction is negative.

To test the relationship between variables, the Path Coefficient test is used. The results of the Path Coefficient test can be seen in the Table 4 below.

Table 4. Path Coefficient Test

No	Variable	O	M	STDEV	T	P values
1	X1 -> Y	1.045	1.046	0.013	78.529	0.000
2	X1 -> X2	0.954	0.957	0.009	102.511	0.000
3	X2 -> Y	-0.047	-0.048	0.014	3.349	0.001

The first hypothesis in this study is that online sales have a positive and significant effect on purchasing decisions. The test results show that O1 coefficient value is 1.045 with a significance value of 0.000 < 0.05, which means that there is a positive and significant influence of online sales variables on purchasing decisions. The results of the study are in line with the hypothesis that has been made where the effect of online sales on purchasing decisions is positive and significant. The value of t count is 78,529 while the t-table is 1.68. If t-count > t-table, the significant value is more than 5% and the hypothesis is accepted. This means that the more frequent online sales are made, the easier it will be to make these purchasing decisions.

The second hypothesis is that online sales have a positive and significant effect on the OVO digital wallet. Based on the results of hypothesis testing in Table 4, it can be seen that the O2 coefficient value is 0.954 with a significance value of 0.000 < 0.05, which means that there is a positive and significant influence on online sales variables on the OVO digital wallet. The test results are in line with the hypothesis that has been made, where there is a positive and significant effect of online sales on the OVO digital wallet. The t-count value is 102,511 while the t-table value is 1.68. If t-count > t-table, the significant value is less than 5% and the second hypothesis is accepted. The more people selling online, the more people use the OVO digital wallet.

The third hypothesis in this study is that the OVO digital wallet has a positive and significant effect on purchasing decisions. Based on the hypothesis test in Table 4, it can be seen that the O3 coefficient value is -0.047 with a significance value of 0.001 < 0.05, which means that there is a negative and significant influence on the OVO digital wallet variable on purchasing decisions. The test results are in line with the hypothesis that has been made where there is a negative effect of the OVO digital wallet variable on purchasing decisions. The t-count value is 3,349 while the t-table value is 1.68. If t-count > t-table, the significant value is smaller than 5%, so the third hypothesis is accepted.

Specific Indirect Effect is used to see the relationship between one variable and another indirectly or mediated by other variables. The results of the Specific Indirect Effects test can be seen at Table 5 below

Table 5. Specific Indirect Effects-Test

No	Variable	O	M	STDEV	t	P values
1	X1 -> X2 -> Y	-0.045	-0.046	0.013	3.383	0.001

The fourth hypothesis in this study is that online sales have an effect on purchasing decisions mediated by the OVO digital wallet. Based on the hypothesis test in table 5, it can be seen that the O1 value is -0.045 with a significance value of 0.001 < 0.05, which means that there is a negative and significant influence of online sales variables on purchasing decisions mediated by the OVO digital wallet. The t-count value is 3,383 while the t-table value is 1.68. If t-count > t-table, the significant value is less than 5%, so that the fourth hypothesis can be accepted.

Based on the results of testing the first hypothesis, it shows a positive and significant influence between online sales on purchasing decisions. From the answers to the questionnaires filled out by respondents, students in Malang often buy and sell products using online media. Students are more interested in buying products online because of the many promos offered. Students also enjoy transacting online because it is easy and the choices offered in online stores or marketplaces vary widely. With many choices and promotions offered from online sales through marketplaces and other online stores, it makes it easy for students to make purchasing decisions. Not only that, the more often students make online sales, the easier it is to make purchasing decisions.

The results of this first test are in line with the results of previous research which support the existence of a positive and significant relationship between online sales and purchase decisions, namely research conducted by Ulifa et al. (2017) which also examined online sales variables on purchasing decisions that provide the result if you are doing online sales, it is more in making purchasing decisions.

Based on the results of testing the second hypothesis, there is a positive and significant influence between online sales on the OVO digital wallet. From the answers to the questionnaires filled out by respondents, the OVO digital wallet is easy to apply and is often used for online transactions. Students are also interested in using the OVO digital wallet because of the many promos offered, not only that the bill paying feature provided by the OVO digital wallet also helps students pay bills. OVO digital wallet collaborates with one of the marketplaces as well as Unicorn in Indonesia, namely Tokopedia. Many of the online sales made by students through this marketplace will increase the frequency of using the OVO digital wallet.

Based on the results of testing the third hypothesis, it shows that there is a negative and significant influence between the OVO digital wallets on purchasing decisions. From the answers to the questionnaires that have been filled in by the respondents, students buy a product according to the desired criteria and look for product reviews before buying. Students also do not hesitate to buy commonly purchased products and know exactly what products to buy. In addition, students will recommend

the product if the product is good. The OVO digital wallet has good reviews for digital wallet applications and ranks second for digital wallets that are widely used in Indonesia, this is what influences students to consider purchasing decisions. But it also has a feature that students don't really use, namely paying bills. The use of the OVO digital wallet by students is not optimal, so it is difficult to make purchasing decisions using the OVO digital wallet. Based on the results of testing the fourth hypothesis, it shows that online sales have a negative and significant influence on purchasing decisions mediated by the OVO digital wallet. From the answers to the questionnaires that have been filled in by the respondents, students buy products according to the desired criteria and before buying the product see a review first. In buying a product in the marketplace, students use the OVO digital wallet because it is easy to apply and there are many promos offered for certain products sold in the marketplace. The number of users and good reviews for the OVO digital wallet gives students the confidence to use it, so that it can be taken into consideration in making purchasing decisions. Online sales that have a large variety of products make it difficult for students to make purchasing decisions and transactions through the OVO digital wallet. The results of this fourth test are in line with the results of previous research which support the existence of a significant relationship between online sales and purchasing decisions of OVO digital wallet users, namely a study conducted by Kusumawati et al. (2020) which examines online sales variables on purchasing decisions of OVO digital wallet users which gives best results

## CONCLUSION

Based on the results of the research hypothesis test, it is revealed that there is a relationship between online sales and purchase decisions and OVO digital wallet is an important mediator in the relationship between the two research variables. This means that the OVO digital wallet plays an important role in the influence of online businesses to consumers in making product /service purchase decisions. Therefore, the management of business entities should consider using the OVO digital wallet in running their business. Of course this is interesting in subsequent studies, mainly to prove whether it is also important in other businesses. However, further researcher should extend the research population and different object to find up to date research result.

## REFERENCES

- Aldiabat, K., Al-Gasaymeh, A., & Rashid, A. (2019). The Effect of Mobile Banking Application on Customer Interaction in the Jordanian Banking Industry. *International Journal of Interactive Mobile Technologies (IJIM)*, 13, 37. <https://doi.org/10.3991/ijim.v13i02.9262>
- Assauri, S. (2011). *Manajemen Pemasaran*. Jakarta: Rajawali Pers.
- Devita, D. (2020). E-Wallet Lokal Masih Mendominasi Q2 2019-2020. Retrieved from iprice.co.id website: <https://iprice.co.id/insights/id/digital-economy/aplikasi-e-wallet-indonesia-2020/>
- Dharmmesta, B. S., & Handoko, T. H. (2014). *Manajemen pemasaran*. Yogyakarta. Buchari Alma: BPF.
- Echols, M. J., & Shadily, H. (2005). *Kamus Inggris Indonesia, An English Indonesian Dictionary*. Jakarta: PT Gramedia Pustaka Utama.

- Ghozali, I., & Latan, H. (2015). *Partial Least Squares: Konsep, Teknik dan Aplikasi Menggunakan Program SmartPLS 3.0*. Semarang: Badan Penerbit UNDIP.
- Gunawan, A. V., Linawati, Pranandito, D., & Kartono, R. (2019). The Determinant Factors of E-Commerce Purchase Decision in Jakarta and Tangerang. *Binus Business Review*, 10(1), 21–29.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate Data Analysis* (7th ed.). New Jersey: Pearson Prentice Hall.
- Harkiolakis, N. (2017). *Quantitative Research Methods: From Theory To Publication*. CreateSpace Independent Publishing Platform.
- Igamo, A. M., & Falianty, T. A. (2019). Electronic money's impact on efficiency payment and substitution for cash in Indonesia. In *Challenges of the Global Economy: Some Indonesian Issues* (pp. 251–270). Nova Science Publishers, Inc.
- Kock, N. (2013). *WarpPLS 4.0 User Manual*. Laredo, Texas: ScriptWarp Systems.
- Kuncoro, M. (2013). *Metode Riset untuk Bisnis dan Ekonomi*. Jakarta: Erlangga.
- Kusumawati, I., Hartono, S., & Kustiyah, E. (2020). Kemudahan, Kepercayaan Dan Persepsi Resiko Terhadap Keputusan Pembelian Pengguna Dompot Digital Ovo Di Surakarta. *URNAL OF MANAGEMENT (SME's)*, 11(1), 19–29.
- Listianto, F., Fauzi, Irviani, R., Kasmi, & Garaika. (2017). Aplikasi E-Commerce Berbasis Web Mobile Pada Industri Konveksi Seragam Drumband Di Pekon Klaten Gadingrejo Kabupaten Pringsewu. *Jurnal TAM (Technology Acceptance Model)*, 8(2), 146–152.
- Mumtahana, H. A., Nita, S., & Tito, A. W. (2017). Pemanfaatan Web E-Commerce untuk Meningkatkan Strategi Pemasaran. *Khazanah Informatika Jurnal Ilmu Komputer Dan Informatika*, 3(1), 6–15.
- Nabila, L. D., & Sulistyowati, R. (2020). Pengaruh Dompot Digital Dan Promosi Penjualan Terhadap Keputusan Pembelian Pada Bisnis Franchise Minuman (Studi Pada Konsumen Minuman Chatime di Lippo Plaza Sidoarjo). *Jurnal Pendidikan Tata Niaga (JPTN)*, 8(3), 1034–1040.
- OVO. (2021a). FAQ. Retrieved from <https://www.ovo.id/> website: <https://www.ovo.id/faq>
- OVO. (2021b). Features. Retrieved from <https://www.ovo.id/> website: <https://www.ovo.id/features>
- Permana, R. W. (2016). Malang sebagai kota pendidikan sejak masa Hindia Belanda. Retrieved from <https://m.merdeka.com/> website: <https://m.merdeka.com/malang/kabar-malang/malang-sebagai-kota-pendidikan-sejak-masa-hindia-belanda-160502n.html>
- Ratri, N. (2019). Usaha Kuliner Masih Dominasi Sektor Ekonomi Kreatif di Malang. Retrieved from <https://jatimtimes.com/> website: <https://jatimtimes.com/baca/194022/20190603/165400/usaha-kuliner-masih-dominasi-sektor-ekonomi-kreatif-di-malang>
- Raya, F. L. B. (2018). Pengaruh Kepercayaan dan Kualitas Layanan Terhadap Keputusan Pembelian dan Dampaknya Pada Minat Pembelian Ulang (Studi Kasus pada Aplikasi Traveloka). *Jurnal Manajemen Update*, 7(4).
- Ruqo'iyah. (2012). *Pengaruh Motivasi Intrinsik Terhadap Kinerja Karyawan*. Universitas Islam Negeri Maulana Malik Ibrahim Malang.
- Ryu, J. S., & Murdock, K. (2013). Consumer acceptance of mobile marketing communications using the QR code. *Journal of Direct, Data and Digital Marketing Practice*, 15, 111–124.
- Salsabila, H. Z., Susanto, & Hutami, L. T. H. (2021). Pengaruh Persepsi Risiko, Manfaat Dan Kemudahan Penggunaan Terhadap Keputusan Pembelian Online Pada Aplikasi Shopee. *Jurnal Ilmiah Manajemen Kesatuan*, 9(1), 87–96.
- Sangadji, E. M., & Sopiah. (2013). *Prilaku Konsumen: Pendekatan Praktis*. Yogyakarta: Andi Offset.
- Setijani, E., Sumartono, Handayani, K., Sugito, P., & Risfandini, A. (2020). The interrelation of Customer Relationship Management and Product Life Cycle Through Display Innovation of Batik Madura, Indonesia. *Solid State Technology*, 63(6), 7638–7645.

- Setyowati, D. (2019). Persaingan Bisnis Dompot Digital Makin Ketat dan Mengerucut. Retrieved from [katadata.co.id](https://katadata.co.id/yuliawati/digital/5e9a4e6b92155/persaingan-bisnis-dompot-digital-makin-ketat-dan-mengerucut) website: <https://katadata.co.id/yuliawati/digital/5e9a4e6b92155/persaingan-bisnis-dompot-digital-makin-ketat-dan-mengerucut>
- Sugito, P., Kamaludin, Singgih, M. N., Pramaditya, H., & Putri, W. S. (2020). Linkages of Entrepreneurial Experiences & Critical Thinking With Ability to Identify Business Opportunities Through Active Information Search. *Solid State Technology*, 63(6), 7646–7653.
- Sugiyono, P. D. (2017). Metode penelitian bisnis: pendekatan kuantitatif, kualitatif, kombinasi, dan R&D. In *Metode penelitian kuantitatif, kualitatif, dan R & D*. Bandung: Alfabeta.
- Ulifa, M., Mulyati, A., & Mulyati, D. J. (2017). Pengaruh Penjualan Secara Online Terhadap Keputusan Pembelian. *Jurnal Dinamika Administrasi Bisnis*, 3(2).
- Widayat, W., & Arifin, Z. (2020). Attitude and behavior on daily food purchasing decisions in the time of COVID-19: A case study of Indonesia consumers. *Jurnal Inovasi Ekonomi*, 5(2), 37–44.
- Widiyati, D., & Hasanah, N. (2020). Factors Affecting The Use of E-Money (Study on E-Money User in City of South Tangerang). *Jurnal Accountability*, 9(1), 36–45.
- Yadiati, W., & Meiryani. (2019). The Role Of Information Technology In Ecommerce. *International Journal of Scientific & Technology Research*, 8(1), 173–176. Retrieved from <https://www.ijstr.org/final-print/jan2019/The-Role-Of-Information-Technology-In-E-commerce.pdf>
- Yunita, N. R., Sumarsono, H., & Farida, U. (2019). Pengaruh Persepsi Risiko, Kepercayaan, Dan Keamanan Terhadap Keputusan Pembelian Online Di Buka Lapak (Studi Kasus Pada Komunitas Buka Lapak Ponorogo). *ISOQUANT Jurnal Ekonomi Manajemen Dan Akuntansi*, 3(1).