

The Role of Management Information Systems in the E-Commerce Industry on the Shopee Application Program

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ABSTRACT

This study examines how Management Information Systems (MIS) can enhance the efficacy and efficiency of e-commerce operations, with a specific emphasis on the Shopee app. SIM has become an essential tool for supporting business strategy, operational management, and customer interaction as a result of the information technology industry's rapid development. One of the top e-commerce sites in Southeast Asia, Shopee, has combined a number of SIM components, including supply chain management, market analysis, and customer data management, to optimize user experience and business performance. The study's findings indicate that managing the dynamics of the competitive e-commerce market and fostering Shopee's long-term growth and innovation depend heavily on the successful deployment of SIMs. The research's practical implications include suggestions for additional SIM development in e-commerce applications, with a focus on improving user experience and data security.

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1. INTRODUCTION

E-commerce is just one of the many aspects of life that have undergone significant changes as a result of the world entering a faster and more dynamic era brought about by the rapid development of information technology. This development is typified by an increase in internet users, which accounted for 83.7 million of Indonesia's total population in 2014 and is predicted to grow annually (Emarketer, 2014). This represents approximately 30% of the country's population. With a transaction value of Rp 150 trillion in the same year, this makes the e-commerce market a huge opportunity (Menkominfo, 2014). There is a lot of potential for the e-commerce industry in Indonesia. According to data from the Boston Consulting Group (BCG), by 2020, there will be 141 million e-commerce users in Indonesia, or roughly 54% of the country's total population.

Classified ads, C2C marketplaces, shopping centers, B2C online stores, and social media online stores are Indonesia's five primary e-commerce business models. C2C (Consumer-to-Consumer) marketplaces are unique among these five models because they provide a transaction mechanism that entails a third party to ensure security. Under this model, sales and purchases are made through third-party accounts or escrow services, which withhold money until the buyer gets the merchandise. The buyer receives their money back if the goods are not delivered. Both parties benefit from this system's ease of use and sense of security during transactions (Faeni et al., 2023).

One of the most popular e-commerce apps, Shopee is taking advantage of this trend by concentrating on the mobile market segment. Shopee positions itself as a marketplace app with a social approach, leveraging the high level of social media interaction in the region. According to Shopee CEO Chris Feng, the app is made to make buying and selling transactions easier through mobile devices with a user-friendly interface and cutting-edge features catered to local needs.

Shopee offers a number of great features that make transactions easier for both buyers and sellers. For example, its in-app chat feature allows users to communicate in real time, which facilitates questions about products and price negotiations. On the other hand, its negotiation feature offers a shopping experience that is akin to going to a traditional market, allowing buyers to haggle directly with sellers. These features are expected to increase user satisfaction by offering flexibility and convenience in transactions.

2. METHOD

This research employs a qualitative methodology that includes a review of relevant literature, interviews with SIM managers, and a descriptive analysis of company documentation. The findings demonstrate that the Shopee app's integration of SIM not only speeds up transaction and logistics procedures but also facilitates real-time data analysis for strategic decision-making. Furthermore, SIM makes service personalization possible, which boosts user loyalty and customer satisfaction.

3. RESULTS AND DISCUSSION

3.1. E-commerce Development On Shopee Application

Forrest Li established Shopee in 2015 under the Sea Group, with the original goal of creating a mobile-optimized consumer-to-consumer (C2C) online marketplace. In keeping with the trend of rising mobile device usage in Southeast Asia at the time, Shopee was initially launched in Singapore, Malaysia, Thailand, Vietnam, the Philippines, and Taiwan. It was intended to provide a quick and simple shopping experience straight from a mobile phone. Early innovations that helped quickly grow the customer base and foster user trust included Shopee Guarantee, which withholds payment until the buyer receives the goods.

Shopee launched Shopee Mall in 2017 and extended its reach to additional Southeast Asian nations between 2016 and 2018. Shopee Mall has expanded its market segment from C2C to B2C by offering products from well-known brands with flexible return policies and authenticity guarantees. The market expansion also extended to Taiwan, where Shopee faces competition from regional e-commerce sites. To draw in more users and boost sales, features like free shipping and flash sales were added.

During the Covid-19 pandemic, many online shop and related companies are struggling to stay ahead of the global economy in terms of service and quality. To achieve this goal, they must consistently deliver exceptional service and grasp the needs of their clientele (Faeni, 2024). Shopee's growth was greatly

accelerated in 2020–2021 by the COVID-19 pandemic, as more people shopped online. To keep up with the growing demand, Shopee improved its logistics capabilities and created ShopeePay, a digital payment service. Shopee expanded its product line and catered to the upper-middle class by launching new initiatives like Shopee Supermarket and Shopee Premium in the ensuing years. Along with constantly introducing cutting-edge features like Shopee Live and social campaigns like Shopee for Good, which emphasize sustainability and social responsibility, Shopee also began to grow in Latin America, particularly in Brazil.

3.2. Management Information System on Shopee

Shopee, a rapidly expanding e-commerce platform in Southeast Asia, relies heavily on its Management Information System (MIS) to run its business. Strategic planning, decision-making, and day-to-day operations management are just a few of the management functions that Shopee's SIM facilitates. Management can gain a deeper understanding of user behavior, market trends, and product performance with the help of SIM's comprehensive data analysis. In terms of logistics and customer support, among other areas, this aids Shopee in optimizing marketing tactics, controlling inventory, and enhancing operational effectiveness.

Further contributing to the development of products and services is Shopee's Management Information System (MIS). Shopee is able to see new market demands, create more creative products, and enhance the user experience in general by using data analytics and customer feedback. This guarantees that Shopee stays at the forefront of technology adoption and responds to the challenges of a rapidly changing marketplace, in addition to making the platform more competitive in the ever-tightening e-commerce market.

3.3. Features In The Shopee App

Many cutting-edge features are available in the Shopee app, all of which are intended to improve users' online shopping experiences and assist sellers in running their businesses. The Shopee Guarantee, which withholds payment until the customer confirms receipt of the item, is one of its primary features and guarantees the security of transactions. Shopee Mall provides customers with access to reliable brands by offering products from authorized brands with guaranteed authenticity and a more accommodating return policy. By lowering shipping costs and providing competitive prices, the Free Shipping and Flash Sale programs encourage purchases by offering additional benefits through special offers and steep discounts for a brief period of time.

Shopee offers Shopee Pay, a digital wallet that facilitates quick and safe transactions both inside the platform and with participating merchants, to help with payment processing. Additionally, users can earn Shopee Coins through a variety of activities, which they can then exchange for savings on their subsequent purchases. In-app chat allows buyers and sellers to communicate directly, which facilitates negotiations and improves problem-solving. The Shopee Supermarket feature offers a wide range of everyday necessities with quick delivery and a selection of products. Shopee employs sophisticated algorithms to offer personalized product recommendations and customizations according to user preferences. Additionally, it provides notifications and alerts to inform users about the status of their orders and the most recent deals.

Users can find products that meet their criteria quickly with the help of Product Search and Filters, making product search simple. Shopee provides its sellers with Shop Management, an inventory management system, sales tracking, and buyer communication all in one personalized dashboard. Shopee Games, like Shopee Shake and Shopee Farm, provide interactive ways for users to win prizes and vouchers. Additionally, Shopee Live enables sellers to promote products live and engage with buyers in real-time. Using these features together, Shopee builds an ecosystem that is integrated and serves users' needs for online shopping by facilitating transactions and improving interactions.

3.4. Benefit Of Shopee App

Shopee is a reliable online shopping app in Indonesia that offers numerous advantages to the local community. First, because so many sellers compete to offer low prices with good quality, Shopee makes it possible to purchase a variety of necessities at affordable prices. Prices can be compared by users according to ratings and reviews left by past customers. Additionally, to make shopping at Shopee more profitable and efficient, the company offers a number of promotional programs like free shipping, including free Xtra shipping, free 0 Rupiah shipping, and cashback vouchers. Secondly, Shopee's existence has led to an increase

in sales by giving sellers access to a wider online market, including the ability to export to other countries, as opposed to their previous exclusive offline market. Sellers can reach a wider range of consumers with Shopee, which boosts their potential sales.

Additionally, users do not need to carry cash for transactions because ShopeePay, the company's digital wallet, enables payments at thousands of offline retailers like Alfamart and Indomaret as well as fast food outlets like KFC and McDonald's. Additionally, Shopee offers the chance to earn money without having to sell anything by way of its affiliate program. By sharing product links, users can receive commissions, and they will be compensated when sales are made using those links. In addition, there are friend invites, the Shopee video program, and numerous other ways to make money. And lastly, Shopee provides entertainment as well. A variety of interactive features are available to users, including Shopee Guess the Word, Shopee Plant, Shopee Capit, and Shopee Video.

3.5. Constraints on the Shopee App

The user experience of Shopee, a well-known online shopping app in Indonesia, may be impacted by a number of issues. Delivery and logistics-related problems, such as delayed deliveries, incorrect addresses, and misrepresented goods, are among the most frequent ones. Some customers continue to express dissatisfaction with Shopee's integration of logistics services, citing mismatched product receipts and delayed deliveries. Concerns concerning product quality and fraud risk are also present; although Shopee Guarantee offers protection by delaying payment until the buyer certifies receipt of the goods, some users have reported that the goods they received did not match the promises made.

Although ShopeePay, the company's digital wallet, makes transactions simpler, it frequently experiences technical problems like slow withdrawal times, trouble topping off, and disruptions during transactions. Another issue that users have with ShopeePay is the slow identity verification process. Some customers feel that Shopee's customer service is less responsive, as they experience lengthy wait times and insufficient resolutions to their issues. Users' ability to fully utilize Shopee promotions and discount offers is often restricted by the unclear terms and conditions attached to them.

Conversely, user satisfaction may be negatively impacted by technical problems with the Shopee app, such as occasional slowness and navigational hiccups. In order to stay competitive, sellers on the platform must provide the greatest prices and top-notch services. They also have to deal with tough obstacles like fierce price competition and the challenge of handling unfavorable reviews. To get beyond these challenges and provide a better shopping experience for all of its users, Shopee must keep coming up with new ideas and enhancing its offerings.

4. CONCLUSION

An effective and dependable management information system is critical to the growth of e-commerce businesses like Shopee. Shopee has an information system that enables active participation from all parties in their business operations. The Transaction Processing System (TPS) is part of the management information system. A strong information system should also include a management information system (MIS), decision support system (DSS), and executive information system (EIS). Shopee keeps innovating to ensure that its applications evolve in accordance with social trends and keeps upping the quality of its services by leveraging ever-more-advanced technological advancements.

Online shopping has increased the number of small businesses available on Shopee's marketplace, which aids large companies or small Shopee businesses in marketing their goods to the general public. The features available on the Shopee app will astound Shopees. Live chat makes it simple for customers to speak with sellers directly. Customers view product listings and reviews.

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