

# Training on the Use of COD Payment Methods and Their Impact on Buyer Decisions on Shopee E-Commerce

Arsyadona<sup>1</sup>, Rendi Rizky Trianda<sup>2</sup>, Nabila Syafitri<sup>3</sup>

<sup>1,2,3</sup> Faculty of Islamic Economics and Business, Universitas Islam Negeri Sumatera Utara, Indonesia

---

## Article Info

### Article history:

Received November 15, 2023

Revised December 01, 2023

Accepted December 20, 2023

---

### Keywords:

*COD Payment System;*

*Purchase Decision; Shopee*

---

## ABSTRACT

The purpose of this study is to find out whether there is an influence of COD payments on buyers' decisions, behind the many problems that are detrimental to both sellers and buyers who use this payment option. The research was carried out with a situational approach using the regression method. The sample taken in this study was 40 consumers and was analyzed using a frequency table and an F value test with SPSS Software. The results showed that respondents preferred the COD payment method over other payment methods

*This is an open access article under the [CC BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license.*



---

## Corresponding Author:

Name: Arsyadona

Department: Management

Faculty: Faculty of Islamic Economics and Business

Afiliation: Universitas Islam Negeri Sumatera Utara

Email: arsyadona@uinsu.ac.id

---

## 1. INTRODUCTION

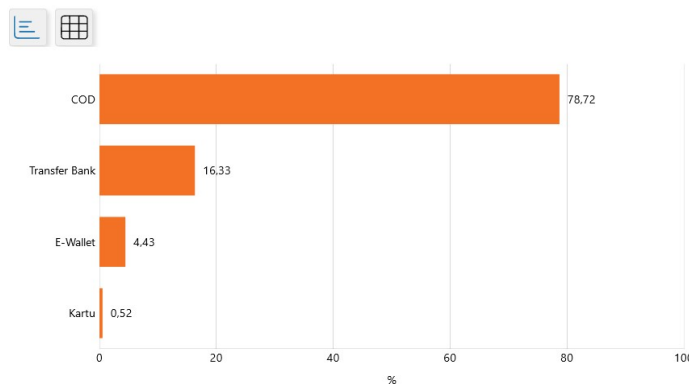


Figure 1. Payment in E - Commerce

Source : katadata.co.id

According to the Central Statistics Agency (BPS), as many as 78.72% of e-commerce businesses in almost all types of businesses use the cash on delivery (COD) payment method. About one-third of these e-commerce businesses have a workforce of between 20 and 29 people, and COD is the most common payment method compared to other payment methods. Bank transfer at 16.33% is the next most frequently used payment method. It is used more by e-commerce companies with more than 100 employees.

The power of the COD payment method is one of the things that makes transactions increase for sellers on Shopee e-commerce. But on the other hand, the COD payment system is like a sword that has two opposite sides. There are many cases where transactions are canceled due to consumer problems with this payment system.

For customers who are using the transfer payment method for the first time, it can sometimes feel a little doubtful because they have to wait some time for the item they ordered to arrive before they pay for it. Therefore, most customers choose the cash payment method or Cash On Delivery (COD).

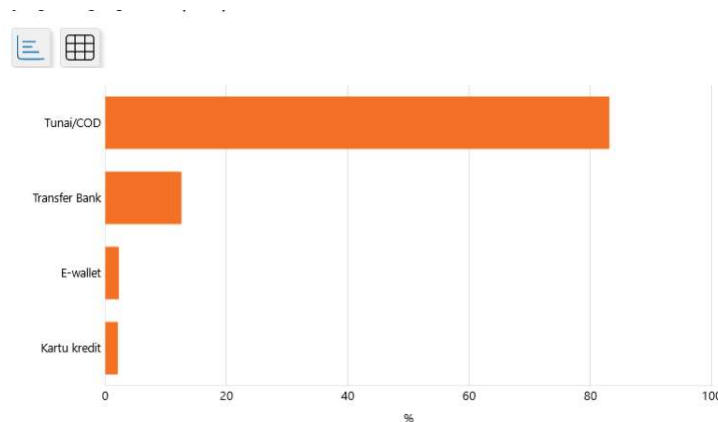


Figure 2. COD Mechanism  
Source : Source : katadata.co.id

Most of Indonesia's e-commerce sellers (83.11%) in almost all industries are still using Cash on Delivery (COD) payment methods in 2021, according to a survey conducted by the Central Statistics Agency (BPS). This data shows that the gap in COD payments is vulnerable but still the choice of consumers.

## Literature Review

### *COD Payment System*

The Cash on Delivery (COD) payment system is a method in which the buyer makes payment for the purchased product at the time the item is received, rather than in advance. This method provides an advantage for the buyer by ensuring that the purchased item is in line with expectations before making the payment, reducing the risk of fraud related to prepayment (Kotler & Keller, 2016). The use of the COD method can significantly influence buyers' decisions.

In the context of e-commerce, COD is often used to attract shoppers who prefer to pay when the goods are received. E-commerce platforms like Shopee offer this method to increase their appeal, especially in markets where cash payments are still dominant (Choi & Lee, 2020). COD provides flexibility and increases sales conversions by providing a sense of security and convenience for shoppers (Jung, 2021). However, implementing COD requires considerations related to shipping costs and return management, which can be challenging for sellers.

### *Purchase Decision*

The purchase decision is a cognitive and emotional process that involves evaluating and evaluating various alternatives before making a transaction (Kotler & Keller, 2016). In the context of

e-commerce, purchasing decisions are often influenced by a variety of factors, including the available payment methods. The Cash on Delivery (COD) payment method is one factor that can significantly influence purchase decisions. COD provides an opportunity for buyers to verify products before making a payment, which can increase customer trust and satisfaction levels (Kim & Park, 2019).

Previous research has shown that COD payment methods can influence purchase decisions by reducing the risks perceived by shoppers associated with online transactions. Buyers feel safer because they don't have to pay upfront and can ensure the quality of the product when the goods are received (Pappas, 2016). Additionally, the COD method can increase sales conversions because it offers greater flexibility when it comes to payments, especially in markets that have low levels of trust in online transactions (Choi & Lee, 2020).

**Shopee**

Shopee is one of the leading e-commerce platforms in Southeast Asia that provides a variety of features to facilitate online transactions between sellers and buyers. Known for its user-friendly and innovative approach, Shopee offers a variety of payment methods to meet the diverse needs of its consumers, including the Cash on Delivery (COD) payment method (Shopee, 2023). COD on Shopee provides an alternative for shoppers who may not feel comfortable making prepayment or who do not have access to digital payment methods (Choi & Lee, 2020). With COD, shoppers can inspect items before making a payment, which can increase trust levels and reduce perceived risks associated with online purchases..

**2. METHOD**

According to Notoatmodjo (2005), this study uses an analytical survey to find out how and why the phenomenon occurs. A cross-sectional approach is used, which means the study is designed to collect data at a single specific point in time. The phenomenon studied during a certain data collection period (Swarjana, 2012).

The location of the research was carried out online to customers of the Akaiprint store by sharing a google form link via Whatsapp. The research period will start from January to February 2024. Population is the whole subject or object with certain characteristics and characteristics that are studied (Notoatmodjo, 2005). The population in the study was 40 customers of akaiprint stores with an age range of 17 - 40 years. All samples are taken if the population is less than 100 people; However, if the population is more than 100 people, it can take 10-15% or 20-25% of the population. In this study, because the population is not more than 100 people, the author took all respondents, namely 40 people, from the Shopee Akaiprint online store. Thus, the census technique involves the entire population, without the research sample as an observation unit.

**3. RESULTS AND DISCUSSION**

**Results**

		Usia			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	16-25 Tahun	36	90.0	90.0	90.0
	26-40 Tahun	4	10.0	10.0	100.0
Total		40	100.0	100.0	

As a result of the frequency analysis of the table, the majority of respondents are 16-25 years old with a frequency of 36 people and the rest are 26-40 years old as many as 4 people. Customers of the

shopee akaiprint starseller store 90% are classified as Gen-Z millennials whose age range is 11-26 years.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	LAKI-LAKI	1	2.5	2.5	2.5
	PEREMPUAN	39	97.5	97.5	100.0
	Total	40	100.0	100.0	

From the table of results above, it can be seen that almost all respondents are female. As many as 97.5% of respondents are women with a frequency of 39 people, the rest are only 1 male.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Pernah	39	97.5	97.5	97.5
	Belum Pernah	1	2.5	2.5	100.0
	Total	40	100.0	100.0	

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Membantu	40	100.0	100.0	100.0

The results showed that question item x1 Have you ever used COD payment when shopping online, almost all respondents had used the COD payment method in online shopping. And on question item x2 Does COD help you in online shopping, all respondents agreed that the COD payment method helps in online shopping.

## Discussion

It is stated in the table above that the results of the question item, whether to use other payments if the akaiprint store does not activate COD, the results of 30 respondents or 75% confirmed to use other payment methods. Next, on the question item, will you look for another store if the akaiprint store does not activate COD? , 21 or 52.5% of respondents stated that they did not look for other stores if the COD service was not activated by the Shopee Akaiprint starseller store.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.052	1	.052	.181	.673 <sup>b</sup>
	Residual	10.923	38	.287		
	Total	10.975	39			

Based on the results of the F Test, the results were obtained far above 0.05 which means that there is no influence of the X variable on the Y variable.

#### 4. CONCLUSION

From the results of the data processing that has been processed, there are significant results from the use of the COD payment method to respondents who stated the benefits of using this payment method. The majority of respondents also stated that they had used the COD payment method. Then answering from the research hypothesis that the Cash On Delivery (COD) service has a relationship with the shopping decisions of customers of akaiprint stores is wrong because the results state that respondents choose another payment method if the COD payment method is not activated at the akaiprint Starseller store.

#### 5. REFERENCES

- Bachrul Ulum, 2021 . *Analisis Akad Menggunakan Sistem Pembayaran Cod Pada Transaksi Online* .Tabsyir: Jurnal Dakwah dan Sosial Humaniora Vol.2, No. 3
- Choi, J., & Lee, J. (2020). *The Role of Payment Methods in E-Commerce: Evidence from Shopee*. *Journal of Digital Commerce*, 7(1), 34-45.
- Fahrul Arifin, Fahrur Rosi, Sumriyah, 2023. *PERLINDUNGAN HUKUM BAGI PELAKU USAHA DALAM METODE TRANSAKSI COD CEK DULU* . *Jurnal Sains Student Research* Vol.1.
- Hidayat, A. dan Alimul, A. 2007. *Metode Penelitian & Teknik Analisis Data*. Salemba Medika. Jakarta
- <https://visi.news/shopee-hadirkan-inovasi-terbaru-dengan-metode-pembayaran-cod-cek-dulu/>. diakses 5 Januari 2024
- <https://ekonomi.republika.co.id/berita/s1z9np423/terbaru-sekarang-metode-cod-bisa-cek-dulu-baru-bayar-di-shopee> . diakses 1 Januari 2024
- <https://databoks.katadata.co.id/datapublish/2022/12/19/survei-mayoritas-pelaku-usaha-e-commerce-di-indonesia-gunakan-pembayaran-tunai-cod> . diakses 2 Januari 2024
- <https://databoks.katadata.co.id/datapublish/2021/12/18/cod-jadi-sistem-pembayaran-favorit-e-commerce-pada-2020> . diakses 3 Januari 2024
- Kim, S., & Park, H. (2019). *The Effect of Cash on Delivery on Online Consumer Trust and Purchase Intentions*. *Journal of Marketing Research*, 15(4), 212-227.
- Kotler, P., & Keller, K. L. (2016). *Marketing Management*. Pearson Education.
- Pappas, I. (2016). *The Influence of Payment Methods on Online Shopping Behavior: A Systematic Review*. *Journal of Business and Technology*, 8(3), 45-58.
- Sudung Simatupang, Dkk, 2023. *Sistem Pembayaran Cash On Delivery Terhadap Keputusan Pembelian Di Shopee*. *Edunomika* Vol. 08, No. 01.