

THE IMPACT OF GAMIFICATION FEATURES ON CUSTOMER RETENTION IN SHOPEE

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**TEH HONG PIOW FACULTY OF BUSINESS AND
FINANCE**

DEPARTMENT OF MARKETING

JUNE 2026

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BY

LEE YONG XING

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**A final year project submitted in partial fulfilment of
the requirement for the degree of**

BACHELOR OF MARKETING (HONOURS)

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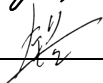
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ACKNOWLEDGEMENT

First and foremost, we would like to express our sincere gratitude to our supervisor, Dr. Chim Weng Kong, for his invaluable guidance, continuous support, and constructive feedback throughout the completion of this Final Year Project. His patience, insightful suggestions, and encouragement have greatly contributed to the successful completion of this research.

We would also like to extend our sincere appreciation to our examiner, Dr. Gengesarani a/p Krishnapillai, for taking the time to evaluate our research and for the valuable comments and suggestions provided. Her feedback has been helpful in improving the quality and clarity of this research.

We would also like to extend our appreciation to Universiti Tunku Abdul Rahman (UTAR) for providing us with the opportunity and academic resources to conduct this study as part of the Bachelor of Marketing (Honours) programme. The knowledge and skills gained throughout our studies have played an important role in guiding us in the development of this research.

In addition, we would like to sincerely thank all the respondents who participated in our survey. Their willingness to spend their time completing the questionnaire made it possible for us to collect the necessary data for this study on the impact of gamification features on customer retention in Shopee.

Finally, we would like to express our heartfelt gratitude to our families and friends for their continuous encouragement, understanding, and moral support throughout the completion of this project. Their support and motivation have helped us overcome challenges during the research process.

Thank you.

PREFACE

The rapid development of e-commerce platforms has significantly transformed the way consumers shop and interact with online marketplaces. Among these platforms, Shopee has gained considerable popularity in many Asian countries due to its innovative marketing strategies and engaging user experience. One of the key strategies adopted by Shopee is the use of gamification features, such as reward systems, interactive games, and promotional activities, which are designed to enhance user engagement and encourage repeated platform usage. Observing the widespread adoption of these features sparked our interest in exploring how gamification influences consumer behaviour, particularly in terms of customer retention.

As marketing students, we are particularly interested in understanding how digital marketing strategies can shape consumer engagement and loyalty in the highly competitive e-commerce environment. Gamification has emerged as an important strategy used by many online platforms to create enjoyable and interactive experiences for users. However, despite its popularity, there is still a need to further understand how users perceive these gamification features and how such perceptions contribute to their continued use of a platform. Therefore, this study focuses on examining the role of perceived usefulness and perceived ease of use in influencing gamification engagement and how these factors contribute to customer retention in Shopee.

This research was conducted as part of the requirements for the Bachelor of Marketing (Honours) programme at Universiti Tunku Abdul Rahman (UTAR). Through this study, we aim to contribute to a better understanding of how gamification features function as a marketing strategy in e-commerce platforms. We also hope that the findings of this research will provide useful insights for marketers and platform developers in designing more effective gamification strategies to enhance customer engagement and long-term retention.

ABSTRACT

This study determines the extent to which the application of gamification features affects the retention of customers within Shopee, through the use of TAM. In particular, this study will examine the influence of perceived usefulness (PU) and perceived ease of use (PEoU) towards customer retention and the mediating role of gamification features. A quantitative approach is used for this investigation, wherein they will gather data from 400 Shopee users who are familiar with gamification features such as games, rewards, and daily check-ins.

Based on the analysis, both PU, PEoU, and gamification features have significant effects on customer retention. More specifically, among the three, gamification features were found to be the most powerful predictor of customer retention. Furthermore, the three factors partially mediate each other's influence towards customer retention. The findings suggest that not only PU and PEoU of Shopee affect its customer retention, but gamification features also play a mediating role in doing so.

This study has provided a valuable contribution to the existing literature by adding gamification features as a mediator to TAM.

Keywords: Gamification Features, Customer Retention, Perceived Usefulness, Perceived Ease of Use, Technology Acceptance Model, Shopee.

Subject Area: HF5410-5417.5 Marketing. Distribution of products.

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