

The Influence of Discount and Free Shipping Tagline at Purchasing Decisions for Wardah Products on Undergraduate Management Students at Regular C, Pasim National University

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ABSTRACT

This study, involving Undergraduate Management Regular Class C students, examines the impact of discounts and free shipping tagline on Wardah product purchasing decisions. It employs descriptive and associative research methods, focusing on individual students as the unit of analysis. The sample comprises 63 respondents selected using a census method. Data analysis utilizes multiple linear regression to assess the influence of these variables. The research instrument, a questionnaire, underwent validity and reliability testing. Findings indicate a significant influence of both independent variables, individually and collectively, on the purchasing decisions of the students involved in using Wardah products

INTRODUCTION

The beauty business can be conducted traditionally (in-store sales) or modernly (online sales). Beauty companies now generally use the internet to sell products, and many customers have switched to online purchases. Based on Indonesian Law No. 7 of 2014 and Indonesian Law No. 11 of 2008, trade involves transactions of goods/services domestically and internationally, and e-commerce must provide complete product information. Cosmetics have now become essential for society, with most people seeking products for appearance and skin health. The beauty industry in Indonesia is growing rapidly, with an increasing number of cosmetic companies and the value of cosmetic product exports. Data from the BPS shows that Indonesia's population continues to grow, emphasizing the importance of effective marketing strategies. Cosmetic companies must have competitive advantages and discount strategies to attract consumers. Local brands like Wardah continue to innovate to meet consumer needs and remain competitive. Makeup and beauty care trends continue to evolve. Wardah offers attractive discounts on Shopee to outdo competitors and encourage buyers to make purchasing decisions. Large discounts are more appealing to consumers than normal prices, thus increasing their interest and enthusiasm to buy, which is expected to have a positive impact on the company. Besides discounts, tagline also influence online shopping decisions. Many customers are reluctant to shop online because of shipping costs. Tagline such as "free shipping" attract customers by eliminating shipping fees. Companies compete to create attractive tagline, such as Shopee with "free shipping all over Indonesia." A tagline is a short sentence that introduces a company or brand to customers and conveys the message of the logo or brand. The purchasing decision is important because consumers decide to buy a product after going through several stages that influence their needs and desires. A purchasing decision is a consumer's action to buy a product.

LITERATURE REVIEW

Baskara, 2018

Discount is a price reduction strategy implemented by a company from the set price. This strategy is used to create impulse buying to increase product sales. In the research conducted by (Ary Dwi Anjarini et al., 2022), it was found that discounts have a positive and significant impact on purchase decisions. This is supported by the research conducted by (Shoffi'ul et al., 2019), which also found that the discount variable affects purchase decisions.

H1 : There is an influence between discounts and the purchase decision of Wardah products on Shopee e-commerce among regular undergraduate management students at Universitas Nasional Pasim.

Shenck, 2015

A tagline is an advertisement or slogan or motto in the form of a phrase that resembles a brand to quickly convey the positioning and brand of the advertised product. This tagline is a short expression intended to be easily remembered by consumers.

In the research conducted by (Erpurini et al., 2022), it was found that the tagline "free shipping" has a positive and significant impact on purchase decisions.

This is supported by the research conducted by (Putri Andini et al., 2023), which shows that the “free shipping” tagline is one of the reasons that can influence purchase decisions.

There is an influence between the tagline and the purchase decision of Wardah products on Shopee e-commerce among regular undergraduate management students at Universitas Nasional Pasim.

(Kotler dan Keller, 2016)

A purchase decision is the selection of the most preferred brand among a variety of different brands.

Based on the research conducted by (Azizi & Yateno, 2021) regarding the influence of discounts and the "Free Shipping" tagline on purchase decisions, it can be concluded that there is a positive influence of discounts and the "Free Shipping" tagline on purchase decisions.

There is an influence between discounts and tagline on the purchase decision of Wardah products on Shopee e-commerce among regular undergraduate management students at Universitas Nasional Pasim.

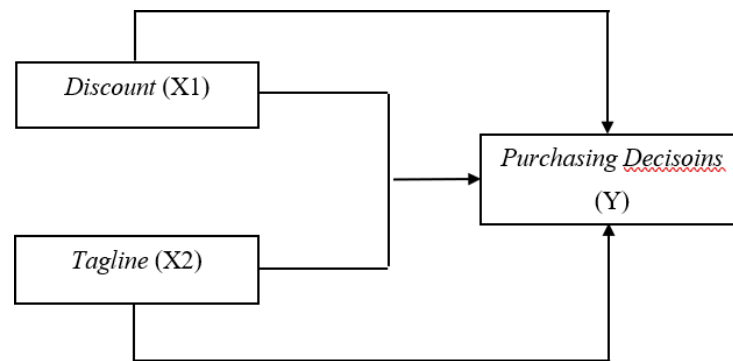


Figure 1. Conceptual Framework

METHODOLOGY

According to (Sugiyono, 2012), a research method is a scientific process aimed at obtaining data with specific purposes and benefits. This scientific step is a way to seek truth that does not only depend on inductive and deductive approaches. This research uses quantitative research methods. According to (Balaka, 2022) quantitative research is a research method that utilizes numerical data, focusing on objective measurement of results accompanied by statistical analysis. These number are obtained from the objective measurement scale of the unit of analysis called variables.

Type of Research

This study employs both descriptive and associative methodologies. The descriptive approach aims to examine one or more independent variables in isolation, without drawing comparisons or establishing connections between them. In contrast, the associative methodology seeks to identify and analyze the relationships that may exist among multiple variables.

Unit of Analysis

According to (Sugiyono, 2016), the unit of analysis is the entity being studied, which can be an individual, group, object, or a social event such as the activities of an individual or a group as the research object. Based on this, the unit of analysis in this study is the individual unit of analysis, specifically students who purchase Wardah products, which will henceforth be referred to as individual units.

Population

According to Sugiyono in (Adnyana, 2021), the population is defined as the generalization area present in the research. This area includes objects or subjects from which conclusions can be drawn.

The population used in this study consists of 63 regular-C students from the National Pasim University who purchased Wardah cosmetics on the E-Commerce platform Shopee.

Data Collection Method

The data used in this research is primary data. According to (Pandjaitan, D., & Ahmad, 2017), primary data is data obtained or collected directly by the researcher from the main data source. To obtain primary data, the researcher must collect it directly. The data collection method used by the researcher is structured interviews in the form of a questionnaire conducted via Google Forms. According to (Agung & Anik, 2017), a questionnaire is a data collection technique conducted by giving a set of written questions or statements to respondents to answer.

RESULTS

Frequency Distribution and Weighting Discount Variable (X1)

Based on the summary table of the discount variable weights, it can be concluded that the discount variable consists of 10 statements with an average actual weight of 237. This value falls into the "good" category as it is within the 216-266 interval. The results show that the lowest actual weight is for the statement "Wardah offers discounts every day," with an actual weight of 200. The highest actual weight is for the statement "Many types of Wardah products receive discounts that are proportionate to the product quality," with an actual weight of 266.

Tagline Variable (X2)

Based on the summary table of the tagline variable weights, it can be concluded that the tagline variable consists of 10 statements with an average actual weight of 241. This value falls into the "good" category as it is within the 216-266 interval. The results show that the lowest actual weight is for the statement "Wardah's free shipping tagline on Shopee has distinguishing characteristics compared to its competitors," with an actual weight of 224. The highest actual weight is for the statement "The message conveyed in Wardah's free shipping tagline on Shopee is easily understood," with an actual weight of 250.

Purchasing Decisions Variable (Y)

Based on the summary table of the purchasing decision variable weights, it can be concluded that the purchasing decision variable consists of 10 statements with an average actual weight of 255. This value falls into the "good" category as it is within the 216-266 interval. The results show that the lowest actual weight is for the statement "I buy more than one Wardah product," with an actual weight of 228. The highest actual weight is for the statement "The amount of Wardah products I buy is based on my needs," with an actual weight of 268.

Validity Test

From the table, each statement item shows that the r-value is above the critical r-value, which is above 0.3. This indicates that all statement items in the questionnaire are declared valid.

Reliability Test

From the table, each statement item shows that the Cronbach's Alpha value for all variables is above 0.8, indicating that they fall into the category of good reliability and are declared reliable.

Classical Assumption Test Normality Test

The normality test results reveal a significance value (Sig) of 0.069 in the Kolmogorov-Smirnov table. According to established criteria, data is considered normally distributed when the Kolmogorov-Smirnov value exceeds 0.05.

Examination of the normality test data plots shows that the data points cluster around the diagonal line and follow its trajectory, which is indicative of a normal distribution pattern. Consequently, the graphical analysis of the normality test suggests that the data conforms to a normal distribution.

Multicollinearity Test

The multicollinearity test results indicate that the tolerance value exceeds 0.01 and the Variance Inflation Factor (VIF) is below 10. These findings suggest an absence of multicollinearity among the independent variables in this study.

Heteroskedasticity Test

Based on the heteroskedasticity test results, the significance value for the discount variable (X1) is 0.106 and for the tagline variable (X2) is 0.075. Because the significance values of the discount (X1) and tagline (X2) variables are greater than 0.05, according to the decision-making basis in the Glejser test, it can be concluded that there is no heteroskedasticity present.

Based on the heteroskedasticity test, as seen in the scatterplot diagram, there is no clear and systematic pattern, and the points are scattered above and below the 0 axis (Y).

Autocorrelation Test

Based on the SPSS calculation, the Durbin-Watson statistic is found to be 2.060. Meanwhile, the d_u value can be seen in the table with the number of data points (n) = 63 and the number of independent variables (k) = 2, where d_u = 1.6581, and the value of $4-d_u$ = 2.3419. Because the Durbin-Watson value falls between d_u and $4-d_u$, specifically $1.6581 < 2.060 < 2.3419$, it is proven that there is no autocorrelation present, and the data can be used for further analysis.

Multiple Linear Regression Analysis

In this study, there are two independent variables, namely discounts and tagline, as well as one dependent variable, which is purchasing decision. The explanation is as follows:

Table 1. Multiple Linear Regression Analysis

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	12.610	3.834		3.289	.002
	Diskon	.237	.113	.231	2.098	.040
	Tagline	.497	.099	.552	5.018	<.001

a. Dependent Variable: keputusan Pembelian

Source: Processed by Data SPSS, 2024

Based on the analysis results from the table above, the regression equation coefficients can be explained as follows:

$$b = 12,610$$

$$X1 = 0,237$$

$$X2 = 0,497$$

The multiple linear regression equation in this study is:

$$Y = 12,610 + 0,237 X1 + 0,497 X2$$

From the following equation, the explanation is as follows:

- The constant value $\beta_0 = 12.610$ indicates the magnitude of the purchasing decision variable that is not influenced by the discount. This means that when the discount value is zero (0) or unchanged, the purchasing decision value is 12.610.
- The regression coefficient for the discount variable (X1) is 0.237, meaning that the discount has a positive or direct relationship with purchasing decisions.
- The regression coefficient for the tagline variable (X2) is 0.497, meaning that the tagline has a positive or direct relationship with purchasing decisions.

Table 2. Coefficient of Determination

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.708 ^a	.501	.485	4.328

a. Predictors: (Constant), Tagline, Diskon

Source: Data Processed by SPSS, 2024

Based on the table above, it shows that the correlation coefficient supporting the relationship between the discount variable (X1) and the tagline variable (X2) simultaneously on purchasing decisions (Y) is 0.708. From the table above, it can be seen that the coefficient of determination (R^2) is 0.501, meaning

that the influence of discounts and tagline on purchasing decisions is 50.1% ($R^2 \times 100\%$), while the remaining 49.9% is explained by other factors not examined in this study. To see the magnitude of the influence of each independent variable on the dependent variable, calculations are made using the formula $\text{Beta} \times \text{Zero Order} \times 100\%$. Beta is the standardized regression coefficient. Whereas zero order is the partial correlation of each independent variable with the dependent variable.

Using SPSS, the Beta and zero order values obtained are as follows:

Table 3. Partial Coefficient of Determination

Model	Coefficients ^a								
	Unstandardized Coefficients			Standardized Coefficients Beta	t	Sig.	Correlations		
	B	Std. Error					Zero-order	Partial	Part
1	(Constant)	12.610	3.834		3.289	.002			
	Diskon	.237	.113	.231	2.098	.040	.540	.261	.191
	Tagline	.497	.099	.552	5.018	<.001	.682	.544	.458

a. Dependent Variable: keputusan Pembelian

Source: Data Processed by SPSS, 2024

Based on the table above, calculations can be performed to obtain the partial effects of each variable as follows:

Discount (X1): $0.231 \times 0.540 \times 100\% = 12.5\%$

Tagline (X2): $0.552 \times 0.682 \times 100\% = 37.6\%$

According to the calculations above, it is known that the largest influence comes from the discount variable (X1) with a contribution of 12.5%, while the tagline variable (X2) contributes 37.6%.

How are Wardah's Discounts on Shopee?

Based on the research findings and data processing, it is known that the discount variable falls into the good category. However, there is still a weak aspect regarding Wardah not offering discounts every day, as they only provide discounts at specific times.

How is Wardah's Tagline on Shopee E-Commerce?

Based on the research findings and data processing, it is known that the tagline variable falls into the good category. However, there is still a weak aspect regarding Wardah's free shipping tagline on Shopee, which has distinctive differences compared to its competitors. This is because many other marketplaces also offer free shipping promotions for Wardah products.

How are Purchasing Decisions for Wardah on Shopee E-Commerce?

Based on the research findings and data processing, it is known that the purchasing decision variable is categorized as good. However, there is still a weak aspect regarding consumers buying more than one Wardah product. This is because consumers purchase these products according to their needs.

The Influence of Discount on Purchase Decisions of Wardah Products on Shopee E-Commerce

The discount variable has a positive and significant influence on purchase decisions. The discount variable (X1) contributes 12.5% to the influence.

The Influence of Tagline on Purchase Decisions of Wardah Products on Shopee E-Commerce

The tagline variable also has a positive and significant influence on purchase decisions. The tagline variable (X₂) contributes 37.6% to the influence.

The Influence of Discount and Tagline on Purchase Decisions of Wardah Products on Shopee E-Commerce

The variables of promotional discounts and free shipping messaging both demonstrate a positive and notable impact on consumers' buying choices. Together, these two factors account for 50.1% of the influence on purchasing decisions.

DISCUSSION

This section provides an opportunity for scholarly interpretation of your research outcomes. Rather than presenting numerical data from statistical analyses, you should offer explanations of these findings. Your discussion should integrate academic literature relevant to your study, providing a well-reasoned exposition that relates to your specific field of inquiry.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

1. Discounts fall into the good category, but there is still a weakness in Wardah not offering discounts every day.
2. Free shipping tagline is categorized as good, but there is still a weakness in Wardah's free shipping tagline on Shopee not having a distinctive difference compared to its competitors.
3. Purchase decisions are categorized as good, but there is still a weakness in students purchasing more than one Wardah product.
4. Partially, discounts have a positive and significant influence on the purchase decisions of Wardah products among regular-C Management undergraduate students at National Pasim University, contributing 12.5%.
5. Partially, the free shipping tagline has a positive and significant influence on the purchase decisions of Wardah products among regular-C Management undergraduate students at National Pasim University, contributing 37.6%.
6. Both discounts and the free shipping tagline simultaneously have a positive and significant influence on the purchase decisions of Wardah products among regular-C Management undergraduate students at National Pasim University, contributing 50.1%.

Recommendations

1. Researchers suggest for the statement "Wardah offers discounts every day," to consider themed or periodic discounts, provide exclusive discounts for loyal customers, combine discounts with other promotions like flash sales, buy one get one free offers, or additional discounts for bulk purchases.
2. Researchers recommend for the statement "Wardah's free shipping tagline on Shopee lacks distinctiveness compared to its competitors," to create a tagline offering unique advantages not found with competitors, launch free shipping promotions with special themes.

3. Researchers advise for the statement "I purchase more than one Wardah product," to offer free gifts for specific purchases, provide additional discounts or reward points to enhance purchase decisions.
4. Discounts significantly influence purchase decisions. It is recommended that Wardah maintains and expands the variety of discounts to ensure customer satisfaction and stimulate purchase decisions.
5. Free shipping tagline influence purchase decisions. Therefore, Wardah is encouraged to innovate continuously by creating new, attractive programs for consumers and to aggressively promote its Shopee tagline, offering numerous free shipping vouchers to consumers.
6. Discounts and tagline are critical factors in purchase decisions. Wardah should pay closer attention to factors influencing purchase decisions

FURTHER STUDY

This research is expected to contribute to knowledge and insights, serving as valuable input for the development of economic and marketing management sciences. It also serves as a reference for those interested in further exploring similar issues.

It is hoped that this research can provide input for various parties to maximize discounts and free shipping tagline, aiming to improve purchase decisions.

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