

**THE INFLUENCE OF PROMOTION, BRAND AWARENESS, AND
BRAND AMBASSADORS ON PURCHASE DECISIONS ON THE
SHOPEE MARKETPLACE
(Case Study of the Community of Jogosari Village, Pandaan District,
Pasuruan Regency)**

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Abstract

This study aims to determine the effect of promotion, brand awareness, and brand ambassadors on purchasing decisions in the Shopee marketplace. This research method is quantitative with 100 respondents in Jogosari Village, Pandaan District, Pasuruan Regency with incidental sampling technique. Data analysis used multiple linear regression with the help of SPSS version 24 for windows. Based on the research results, the promotion variable has a significant effect on purchasing decisions ($t_{\text{statistic}} 2.128 > t_{\text{table}} 1.984984$). The brand awareness variable has a significant effect on purchasing decisions with a value ($t_{\text{statistic}} 2.396 > t_{\text{table}} 1.984984$). However, the brand ambassador variable has no significant effect on purchasing decisions ($t_{\text{statistic}} 0.055 < t_{\text{table}} 1.984984$).

Keywords: *Promotion, Brand Awareness, Brand Ambassador and Purchase Decision*

1. INTRODUCTION

Entering the industrial era 4.0, which has begun to employ modern and sophisticated technology in its operational activities in order to make life easier for actors in various sectors. The economic sector is one sector that has an impact. Increasingly sophisticated technology generates a variety of digital platforms that are utilized by business professionals and the general public as media for communication, learning, and marketing.

Digital platforms market media that conveys information to various types of consumers, including social media and marketplaces. According to Matsuura in (Wijaya, 2020), the marketplace is a global network that interconnects commercial transaction activities with the Internet network using modern information technology and telecommunications. In Indonesia, there are numerous online marketplaces, including Shopee, Tokopedia, Bukalapak, Lazada, etc. The marketplace competition in Indonesia is fierce, particularly between the two giant marketplaces Shopee and Tokopedia (Putri et al., 2021). Hence, nobody else has been able to compete with the two giants.

According to data on Kompas (2021), Shopee was one of Indonesia's leading marketplaces in 2020. Shopee ranks first in comparison to its rivals. The following is a chart of the leading marketplaces in Indonesia:

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Source: Kompas.co.id

Figure 1 Top Marketplace in Indonesia

Compiled from the iPrice.co.id website, this 2021 report examines Online Store competition in Indonesia. Tokopedia has a larger number of website visits than Shopee. However, in terms of the number of application downloads from the Appstore and Playstore, Shopee consistently ranks first among online retailers. Based on data regarding the number of Instagram and Facebook followers Shopee can consistently increase its following on these social media platforms. The information is depicted in the graph below:



Source: iprice.co.id

Figure 2 Online store competition data for the first quarter of 2021



Source: iprice.co.id

Figure 3 Online store competition data for the second quarter of 2021



Source: iprice.co.id

Figure 4 Online store competition data for the third quarter of 2021

Several factors can influence consumer purchases. There are five stages in the purchasing decision-making process for consumers, including the identification of needs, consumer information processes, product or brand evaluations, purchases, and post-purchase evaluations (Ardhanari, 2012). Consumer information is gathered from various sources, including social media, television, etc. Prior to making a purchase, the information obtained by consumers leads to an evaluation of the product, which can take the form of price and product quality. Buyers as consumers are extremely discerning when evaluating products or brands prior to making purchases.

According to Tjiptono in (Heryanto, 2015), marketing success is determined in part by promotion. Shopee conducts a variety of promotional activities, including flash sales, unique date promotions, grand prices, peak promotions broadcast on live television stations, Social media marketing, etc. Social media marketing makes use of influential members of society (influencers). Shopee's marketing efforts can raise brand awareness in certain social circles and foster a sense of community trust.

According to Shimp in (Sabdosih, 2013), a Brand Ambassador is a popular society that supports a brand. Shopee is currently collaborating with celebrity soap opera actors adored by various social circles, namely Ikatan Cinta actors. The roles played by Amanda Manopo and Arya Saloka in the Indonesian soap opera Ikatan Cinta hypnotized the audience. According to the Ikatan Cinta Instagram account @ikatancinta.mncp, the mid-October 2020 premiere of the soap opera reveals the existence and accomplishments of its actors. This is demonstrated by the numerous awards he has received. Due to the existence of the soap opera's main character, Shopee took steps to increase promotion by appointing them as Brand Ambassadors.

Based on researchers' pre-research observations and interviews with couriers from one of the expeditions, it was determined that the majority of package deliveries to customers originated from the Shopee marketplace.

The problems on the topic above make researchers interested in conducting research with the aim of knowing the significant effect of Promotion, Brand Awareness, and Brand Ambassador on purchasing decisions in the Shopee marketplace.

2. LITERATURE REVIEW

2.1. Purchase Decision Making

According to Anwar (2014), decision making is the selection of certain activities based on certain characteristics that are alternatives to various existing options. Several factors, including cultural, social, personal, and psychological characteristics, can impact consumer purchases (Kotler & Armstrong, 2014). When making a purchase decision, a person typically goes through the following steps: need recognition, consumer information process, product/brand evaluation, purchase, and post-purchase evaluation (Widyaningrum, 2017).

2.2. Promotion

According to Dewi & Hartono (2019), promotion is an active effort made by a business to entice consumers to purchase its products. According to Kotler and Armstrong (2014), promotion is the delivery of product benefits and persuasion of customers to purchase a product. According to Tjiptono (2019), all forms of promotion serve the same purpose, but can be distinguished based on the specific task. The specific assignment is the advertising mix (promotion mix, promotion blend and communication mix).

2.3. Brand Awareness

According to Widayastuti (2017), Brand Awareness is how consumers classify a brand as a product or service. According to Firmansyah (2019), there are four levels of brand awareness: top of mind, brand recall, brand recognition, and brand unawareness.

2.4. Brand Ambassador

According to Andrews & Shimp (2017), brand ambassadors are well-known individuals who advocate for a brand. Companies select Brand Ambassadors due to their ability to influence consumers so that they are interested in and enthusiastic about using the product.

3. RESEARCH METHOD

This study employs a quantitative methodology. This method is used to examine a specific population and/or sample, collect data using specific instruments, and then analyze the data. The location of this research is in the Jogosari Village area, Pandaan District, Pasuruan Regency, East Java, 67156. The implementation time of this research was done from October 2021 to April 2022. People from Jogosari Village, Pandaan District, Pasuruan Regency who have transacted on Shopee and been exposed to Shopee advertisements featuring brand ambassadors Amanda Manopo and Arya Saloko are the subjects of this study. The sample consists of 100 respondents selected using the incidental sampling technique. Researchers in collecting data made observations and distributed questionnaires distributed through google form.

4. RESULT AND DISCUSSION

4.1. Research Result

4.1.1. Validity test

The r_{table} value in this study was 0.195. This value is obtained from a sample of 100 people with a significance level of 5%.

Table 1 Promotional Variable Validity Test

Indicator	$r_{statistic}$ value	r_{table} value	Information
X1.1	0,680	0,195	Valid
X1.2	0,649	0,195	Valid
X1.3	0,747	0,195	Valid
X1.4	0,719	0,195	Valid
X1.5	0,677	0,195	Valid

Table 2 Brand Awareness Variable Validity Test

Indicator	$r_{statistic}$ value	r_{table} value	Information
X2.1	0,665	0,195	Valid
X2.2	0,720	0,195	Valid
X2.3	0,774	0,195	Valid
X2.4	0,566	0,195	Valid

Table 1 Brand Ambassador Variable Validity Test

Indicator	$r_{statistic}$ value	r_{table} value	Information
X3.1	0,645	0,195	Valid
X3.2	0,704	0,195	Valid
X3.3	0,710	0,195	Valid
X3.4	0,709	0,195	Valid
X3.5	0,747	0,195	Valid
X3.6	0,544	0,195	Valid
X3.7	0,671	0,195	Valid
X3.8	0,816	0,195	Valid
X3.9	0,559	0,195	Valid
X3.10	0,614	0,195	Valid

Table 4 Purchasing Decision Variable Validity Test

Indicator	$r_{statistic}$ value	r_{table} value	Information
Y.1	0,529	0,195	Valid
Y.2	0,378	0,195	Valid
Y.3	0,614	0,195	Valid
Y.4	0,467	0,195	Valid
Y.5	0,646	0,195	Valid
Y.6	0,508	0,195	Valid
Y.7	0,649	0,195	Valid
Y.8	0,600	0,195	Valid
Y.9	0,695	0,195	Valid
Y.10	0,629	0,195	Valid

4.1.2. Reliability Test

Table 5 Reliability Test Result

No.	Variable	Cronbach alpha	Information
1.	Promotion (X1)	0,724	Reliable
2.	Brand Awareness (X2)	0,604	Reliable
3.	Brand Ambassadors (X3)	0,867	Reliable
4.	Purchasing decision	0,778	Reliable

4.1.3. Normality test

Table 6 Normality Test Result

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		100
Normal Parameters ^{a, b}	Mean	,0000000
	Std. Deviation	3,18069526
Most Extreme Differences	Absolute	,078
	Positive	0.047
	Negative	-,078
Test Statistics		,078
Asymp. Sig. (2-tailed)		,141 ^c
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

The results of the normality test of $0.141 \geq 0.05$, hence can be concluded that the data used in this study is normally distributed.

4.1.4. Multiple Linear Regression Analysis

The equation for the analysis of Multiple Linear Regression is as follows:

$$Y = 27,110 + 0,314x_1 + 0,505x_2 + 0,004x_3 + e$$

The description of the regression equation above is as follows:

- 1) The constant value (a) of 27,110 shows how much influence the independent variables Promotion (X1), Brand Awareness (X2), Brand Ambassador (X3) have on the dependent variable of Purchase Decision (Y). So, if all independent variables are equal to zero, then the value of the dependent variable is 27,110.
- 2) The regression coefficient value of the Promotion variable (X1) of 0.314 indicates if there is an increase of 1% in the promotion variable (X1), then there is an increase in the purchasing decision variable of 0,314%.
- 3) The regression coefficient value of the brand awareness variable (X2) of 0,505 indicates that if there is an increase of 1% in the brand awareness variable, then there is an increase in the purchasing decision variable of 0,505%.

- 4) The regression coefficient value of the brand ambassador variable is 0,004 indicating that if there is an increase of 1% in the brand ambassador variable (X3), then there is an increase in the purchasing decision variable of 0,004%.

Table 7 Coefficient of Determination

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,371a	,138	,111	3,230
a. Predictors: (Constant), TOTAL BRDAMB, TOTAL PROMOTION, TOTAL BRD AWAR				
b. Dependent Variable: TOTAL PURDECS				

The value of R square is 0,138, which means that 13,8% is the percentage of promotion, brand awareness, and brand ambassador variables which are influenced by purchasing decision variables. Meanwhile, the remaining 86,2% is influenced or explained by other variables that are not discussed.

4.1.5. Partial Test (t-test)

T_{table} is determined using the formula ($\alpha/2$; $n-k-1$).

$$\begin{aligned}
 T_{table} &= \alpha/2; n-k-1 \\
 &= 0,05/2 ; 100-3-1 \\
 &= 0,025 ; 96
 \end{aligned}$$

So, the value of t_{table} is 1,984984

Table 8 T Test Result

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error			
1	(Constant)	27,110	3,920		6,916	,000
	TOTAL PROMOTION	0,314	0,148	0,208	2,128	0,036
	TOTAL BRD AWARD	0,505	0,211	0,265	2,396	0,018
	TOTAL BRDAMB	0,004	0,074	0,006	0,055	,956
a. Dependent Variable: TOTAL PURDECS						

The results of the t-test above are concluded as follows:

- 1) Promotion (X1)
The value of $t_{statistic}$ is 2,128 > t_{table} 1,984984, which means that there is a significant effect of the promotion variable on purchasing decisions.
- 2) Brand Awareness (X2)
The value of $t_{statistic}$ is 2,396 > t_{table} 1,984984, which means that there is a significant influence of the brand awareness variable on purchasing decisions.
- 3) Brand Ambassadors (X3)
The value of $t_{statistic}$ 0,055 < t_{table} 1,984984 which means that the brand ambassador variable has no significant effect on purchasing decisions.

Table 9 Simultaneous Test (F-test)

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	160,195	3	53,398	5,118	,003b
	Residual	1001,565	96	10,433		
	Total	1161,760	99			
a. Dependent Variable: TOTAL PURDECS						
b. Predictors: (Constant), TOTAL BRDAMB, TOTAL PROMOTION, TOTAL BRD AWAR						

Based on the table above, F_{table} is known to be 2,698398 derived from $(k; n-k) = (3; 100-3) = (3; 97)$ then $F_{statistic} 5.118 > F_{table} 2,698398$. The conclusion of the data above is that there is a significant effect of promotion (X1), brand awareness (X2), and brand ambassadors (X3) on purchasing decisions (Y).

4.2. Discussion

4.2.1. Effect of Promotion (X1) on Purchase Decision (Y)

Based on the calculation of the results of the partial hypothesis test (t) it shows that the promotion significantly influences purchasing decisions. It can be proven by the significant promotion value of $0,036 < 0,05$ and the $t_{statistic}$ value is 2,128, which means the $t_{statistic}$ value is $2,128 > t_{table} 1,984984$. The conclusion is H_a is accepted, H_o is rejected. H_a on this promotion variable is "Promotion has a significant effect on purchasing decisions".

4.2.2. Effect of Brand Awareness (X2) on Purchase Decision (Y)

The results of the partial hypothesis test (t) show that brand awareness significantly influences purchasing decisions. Evidenced by a significant value of $0,018 < 0,05$. While the value of $t_{statistic} 2,396 > t_{table} 1,984984$.

4.2.3. Effect of Brand Ambassador (X3) on Purchase Decision (Y)

The results of the partial hypothesis test (t) show that the Brand Ambassador has no significant effect on the Purchase Decision. It is proven by a significant value of $0,956 > 0,05$ and the $t_{statistic}$ value is 0,055, which means the $t_{statistic}$ is $0,055 < t_{table} 1,984984$.

5. CONCLUSION

5.1. Conclusion

Based on the findings, it can be concluded that:

- 1) The results of partial hypothesis test (t) show that promotion has a significant effect on purchasing decisions.
- 2) The results of the partial hypothesis test (t) indicate that brand awareness significantly influences purchasing decisions.
- 3) The results of the partial hypothesis test (t) indicate that the brand ambassador has no significant effect on purchasing decisions.
- 4) Simultaneous results (F) of promotion, brand awareness, and brand ambassador variables simultaneously have a significant effect on purchasing decisions.

5.2. Suggestion

Based on the result and conclusion above, following suggestion may be taken into account :

- 1) For Shopee Companies
People are more interested in promotion through audio visual than literacy, it is recommended to promote promotion through audio visual in mass media, or send product information in audio visual form.
- 2) For Further Researchers
For further researchers, it is hoped that they can use analytical methods, respondents' sampling techniques and other variables in testing purchasing decisions.

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