

The Effect Of Advertising, Sales Promotion, And Brand Image On Repurchasing Intention (Study On Shopee Users)



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Abstract

The background of this research comes from the current trend of online shopping as nowadays online shopping is often used by consumers. One of the top brands in e-commerce is Shopee, although Shopee have many visitors, but it does not reflect the high repurchase intention that can be seen from the value of the Shopee transaction. Therefore, it is important for companies to know the factors that influence the repurchase intention from Shopee. The purpose of this study is to find out the factors that affect repurchase intention in consumers using Shopee applications through advertisements, sales promotions, and brand image. This type of research is quantitative research. The data presented in this study were obtained through a questionnaire given to 110 respondents. Statistical analysis using SPSS 16 is used in the model and hypothesis testing. The results of this study indicate that advertising, sales promotion, and brand image have a positive effect on repurchase intention in Shopee.

Keywords: Repurchase Intention, Advertising, Sales Promotion, Brand Image

1. Introduction

The higher the business opportunity in the e-commerce industry, the more competitive the level [1]. Based on *E-commerce Map* data released by *iprice.co.id*, Shopee managed to maintain its first position as the top *e-commerce* ten consecutive quarters from the first quarter of 2017 to the second quarter of 2019 based on rankings on PlayStore. In the second quarter of 2019, Shopee also led the AppStore ranking category.



Merchant	Monthly Web Visits	AppStore Rank	PlayStore Rank	Twitter	Instagram	Facebook	Number of Employees
1  Shopee	71533300	#1	#1	210300	4215000	16792400	4000+
2  Tokopedia	69800000	#2	#3	387800	1672100	6378200	3000+
3  Bukalapak	37633300	#4	#4	185700	1015800	n/a	2000+
4  Lazada	24400000	#3	#2	385400	1764400	29470600	2000+
5  Bilibli	17600000	#5	#5	501200	1073400	6663300	1000+

Figure 1. Quartal Web Visit 1 2020

Therefore it is important to know what factors can affect the buying interest of consumers. Researchers had conducted an initial pre-survey using a temporary questionnaire distributed to 20 respondents. The results of the initial survey conducted online shown in Table 1 are as follows:

Table 1.1 Questions, Answers and Percentages of Early Surveys

Question	Answer	Score	Percentage
What factors are your consideration to return to using the Shopee application as a place to shop online?	1. Advertising (Attractive ads, high ad exposure on social media)	7	35%
	2. Sales Promotion (voucher, free postage, flash sale, attractive price, harbolnas)	17	85%
	3. Brand Image (Brand Preferences, friend/family references, interesting, fun, reliable, value app features)	10	50%

2. Research Method

This research is a type of quantitative research that can be used to examine populations and samples that are generally done randomly or randomly. Then this research aims to test previous theories with predetermined research variables [2].

The data retrieval techniques in this study use primary data collection methods and secondary data:

1. Primary Data

Primary data collection is done through surveys using questionnaires shared with respondents [3]. The questionnaire will be distributed online with the help of google forms.

2. Secondary Data

Secondary data collection on this study through references from several documents. The secondary data used in this study has a relationship with, advertising, sales promotion, brand image and buying interest sourced from several research journals, books, articles, both in the form of hardcopy and softcopy [4].

2.1 Formula/Algorithm

To determine the number of samples using the slovin method with a 10% fault tolerance [5]. So that it can be formulated as follows:

$$n = \frac{N}{1 + Ne^2}$$

Information:

n: Large sample

N: Large population

e: great deviation (error) that is : 10% (0,1)

Out of a total of 10,000,000 population, it was obtained :

$$n = \frac{10000000}{1 + 10000000 * 0.1^2}$$

$$= \frac{10000000}{100000}$$

$$= 100$$

From the formulation, the number of samples was 100 respondents, added 10% so that the number of final samples used was as many as 110 respondents.

2.2 Literature Review

The following table contains some of the previous studies, related to this study..

Table 2 Previous Research

No	Name of researcher	Variable Research	Research Results
1	(Prabowo & Respati, 2020) [6]	<i>Service quality, brand image, and word of mouth on repurchase intention.</i>	Service quality, brand image, and word of mouth have an impact on <i>repurchaseintention</i> directly and indirectly
2.	(Raji dkk, 2019) [7]	<i>Social media advertising content, social media sales promotion content, hedonic brand image, functional brand image and behavioural intention</i>	Hedonic and functional brand images have a significant mediating effect on social media advertising content, social media sales promotion content, and behavioral intentions..
3.	(Setyowati E. 2019) [8] [9]	<i>Promotion, Corporate image, service quality, Customer satisfaction, Repeat purchase</i>	There is a positive influence on promo-si, company image, service and customer satisfaction with <i>Repurchase intention</i>

4.	(Seber,V.2019) [10]	<i>Interaction Via Social Media; Past Online Shopping Experience; Repurchase Intention; Trust</i>	Interactions on social media and previous online shopping experiences have had a significant influence on buying interest through trust.
5.	(Sitinjak,T. 2019) [11]	<i>Advertising, Sales Promotion, Perceived Ease of Use, Reuse Intention</i>	Iklan, promosi penjualan, dan persepsi kemudahan penggunaan berpengaruh positif terhadap <i>repurchase intention</i>

2.3 Hypotheses

Ads, Re-buy interests

Active advertising on social media platforms can provide consumers with accurate information about a company's brand [11] which proves that advertising has a positive effect on interest in re-using GO-PAY services in Jakarta. So that the first hypothesis can be summarized by:

H1. Social media ads are positively associated with buy-back interest

Sales Promotion, Re-buy interest

The better the sales promotion is done, the higher the service users and means the interest in re-wearing the creation is also higher [12] [13]. Likewise, research conducted by Ndubisi and Moi proved that there is an influence of sales promotion on re-buying interest through trials and also research conducted by Sitinjak Tony [11] that proves sales promotion has a positive impact on buy-to-let interest. So that the second hypothesis can be formulated by:

H2. Sales promotions have a positive effect on buy-back interest

Brand Image, Re-Buy interest

Soleha in his research revealed there is a positive influence and also the sigifikan of brand image on buy-to-let interest [14]. Sari and Santika also revealed that brand image variables have a positive and significant effect on buy-to-re-interest [15]. With the good image of a brand that is perceived both by consumers, can encourage the higher the desire or intention of consumers to get back in touch or transact which in this case is to repurchase the brand. In addition, Prabowo & Respati [6], also found that brand image influences buying interest. Based on the results of the study, the third hypothesis is formulated by:

H3: Brand Image positively affects buying interest

Advertising, Sales Promotion and Brand Image, Re-buy interest

H4: Advertising, Sales promotion, Brand Image together have a positive effect on re-buying interest

3. Findings

Advertising, Sales Promotion, Brand Image Shopee

A. Advertisement

Ads on Shopee can be one of the factors that may affect the buying interest of Shopee itself [16]. Based on Shopee's latest ad, namely with brand ambassador Didi Kempot who promotes 2.2 Men Sale discount.



Figure 2. Shopee Advertisement Brand Ambassador Didi Kempot

Based on the ads from the brand ambassador didit kempot, this ad is quite interesting to visit and quite persuasive. Thus it can be concluded that Shopee ads already serve to communicate customer value persuasively so as to create the use and interest in re-buying a service [17] [18]. Shopee ads can be said to be quite successful in the actions of buyers, who have met the criteria of AIDA *Attention* (containing attractiveness), *Interest* (containing attention and interest), *Desire* (giving rise to the desire to try), *Action* (leading to action to buy). The high number of visits and traffic from web shopee, may also be influenced by advertisements circulating on social media.

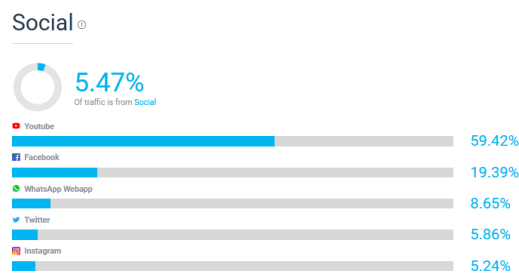


Figure3. Percentage of Shopee Ads through Social Media

Shopee not only manages advertising strategies through social media but also through Ad networkd which is dominated by ads through the Google Display Network.



Figure 4.5 traffic to Shopee by Country

B. Sales Promotion Shopee

In promoting the company's brand, Shopee has a slogan in the form of "Free Postage Se-Indonesia" which is a flagship promotional program that has its own appeal for its users because in buying an item through online, consumers must increase the cost as a fare in shipping goods, so many Shopee users who try to shop at Shopee because it is considered quite profitable for consumers who like to shop online. There are many promos done by Shopee, this is seen from shopee websites that offer a variety of promos and attractive discounts. Such as cashback 8.8 mid year sale, free voucher ongking, free gift 1 Rp, flash sale, harbolnas program and also the shopee live feature, making it easier for consumers to see directly the promos offered [19].

C. Brand Image Shopee

Shopee brand names are very simple and easy in pronunciation, familiar and have different meanings. This is easy for consumers to remember it and plant it into their minds. There will be a relationship of thought through word *of mouth* by consumers. Overall *shopee brand names are very clear, easy to understand, and unambiguous both pronunciation and meaning.* Shope logo is a very attractive orange tote bag and invites customers to shop online that can build brand equity. Slogan is the same as brand name that can build brand equity. Shopee gives the slogan Shopee has a slogan in the form of "Gratis ongkir Se-Indonesia" which is a flagship promotional program that has its own appeal for its users. Shopee has packaging that will make the factor of forming brand equity for the company, ranging from advertising, information, promotions and other small things to consider in spending online. This activity also has an impact on increasing the sales turnover of a company, because the consumer himself will be interested in seeing a product / service that is packed so beautifully [20].

Characteristics of Respondents

The object of this study was shopee company which numbered 110 respondents. The characteristics of respondents in the study are as follows.

Table 2. Characteristics of Respondents

Characteristic	Sum Respondents	Percentage (%)
Gender		
Man	32	29%
Woman	76	71%
Age		
18 - 25 years old	81	73%
26 - 33 years	23	22%
34 - 41 years old	6	5%
42 - 49 years old	0	0%
Using the Shopee App		
Yes	110	100%
No	0	0%
Frequency of Using Shopee App		
Every day	2	3%
1 - 3 times a week	10	9%
1 - 3 times a month	30	26%
Uncertain	68	62%

Characteristics of respondents in table 2 The gender of the majority of respondents was women (71%) and men (29%). For age, dominated by the age with a range of 18 to 25 years as much as (73%), 26 to 33 years 22%, 34 to 41 years 5% of respondents. Furthermore, as many as (100%) use the Shopee application, and for the frequency of use of shopee application in the dominance of erratic frequency with a percentage of 62%, then the frequency of a month 1-3 times 26%, a week 1-3 times 9% and every day with a frequency of 3%.

Based on data from previous marketers, this survey can be proven that most of Shope's visitors are women with a percentage of 71% and men 29%, in addition this survey can also prove research that the main target of Shopee in addition to women also targets millennials with an age range of 18-25 years by 73%.

Descriptive Analysis

Questionnaire is a research instrument used to determine the influence of advertising, sales promotion on buying interest in shopee companies. The questionnaire consisted of 15 valid and reliable questions. Questionnaires measured on *differential semantic scales* 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree.

a) **Distribution of Ad Variable Respondent Answers**

Ad variables are measured by 4 questions using *differential semantic scale*. Based on the distribution of respondents' answers, it can be known that in general the ads carried out by Shopee are quite good with an average score of 3.23. As for some items that have above average scores, namely: (1) Shopee Ads give me credible information that is useful to me with a score of 3.33, (2) Shopee ads give me a pleasant feeling and make me forget everything for a moment with a score of 3.03, etc. From the data can be known the highest score is contained in the information statement item from Shopee. This indicates that the company is quite good at conveying information in its advertisements.

b) **Distribution of Respondent Answers Variable Sales Promotion**

The sales promotion variable is measured by 4 questions using *differential semantic scale*. Based on the distribution of respondents' answers, it can be known that in general sales promotions conducted by Shopee are quite good with an average score of 3.50. Some items that have above average scores, Shopee often provides discounted prices offered in the application and social media with a score of 4.19, and Shopee often provides shopping coupons on the application and on social media with a score of 3.37. From the data can be known the highest score is found on the item statement of price discount (*price discount*) from Shopee. This indicates that the price discount provided by the company is quite attractive to consumers..

c) **Distribution of Respondent Answers Variable Brand Image**

The sales brand image variable is measured by 4 questions using *differential semantic scale*. Based on the distribution of respondents' answers, it can be known that in general shopee brand image is quite good with an average score of 4.19. Some items that have above average scores are: (1) Shopee has functioned well in providing service to customers with a score of 4.08, (2) Shopee has good quality in providing service to customers with a score of 4.26. From the data can be known the highest score is found in the *reability* statement item from Shopee. This indicates that the brand image of the company has high reability.

d) **Spread of Respondent Answers Variable Buy Interest**

The re-buy interest variable is measured by 3 questions using *differential semantic scale*. Based on the distribution of respondents' answers, it can be known that in general in terms of consumer re-buying interest in shopee is good enough with an average score of 3.68. Some items that have above average scores are: (1) Shopee provides good value for customers with a score of 4.56, (2) I consider myself to be loyal in shopping online through the Shopee app with a score of 3.06. From the data can be known the highest score contained in the item statement of *value (value)* about Shopee. This indicates that the company has a high value for customers.

Hypothesis Testing

Partial T-test

The calculation of the T test is carried out using the SPSS version 16 program with the following results:

Table 3 Partial Test T-test
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.966	.883		2.226	.028

Advertisement	.140	.068	.195	2.076	.040
Sales Promotion	.177	.065	.238	2.726	.008
Brand Image	.286	.065	.402	4.429	.000

a. Dependent Variable: Repurchase Intention

1) Ads Variables (X1)

The test results obtained the value t for the ad variable shows the value $t = 2.076$ t table of 0.1857 therefore $2.076 > 0.1857$ with a significance value of $0.040 < 0.050$. It is stated that the hypothesis is accepted. So it can be concluded that advertising has a significant influence on re-buying interests.

2) Sales Promotion Variables (X2)

The test results obtained the value t for the sales promotion variable showed the value $t = 2.726$ and the table t of 0.1857 therefore $2.726 > 0.1857$ with a significance value of $0.008 < 0.050$. It is stated that hypothesis 2 is accepted. So it can be concluded that the sales promotion variable has a significant influence on re-buying interest.

3) Brand Image Variables (X3)

The test results obtained the value t for the brand image shows the value of $t = 4.429$ and t table of 0.1857 therefore $4.429 > 0.1857$ with a significance value of $0.000 < 0.05$. It is stated that hypothesis 3 is accepted. So it can be concluded that brand image has a significant influence on buying interest using Shopee.

Based on the results of the T-test, it can be known that the variable that most affects re-interest in Shopee users is from the Brand Image variable which has the smallest significance value among other variables. This shows that Shopee's corporate brand image is a major factor that influences consumers in making repurchases on shopee app online shopping. The higher the brand image of the Shopee company, the higher the interest in consumers in the shopee company.

Inter-Dimensional Correlation Test

The correlation test in this study aims to find out the relationship of variable dimensions of advertising, sales promotion, brand image with variable repurchase intention. The results of the correlation between dimensions test in this study can be seen in the following table:

Table 4 Results of Inter-Dimensional Correlation Test

Dimension	Indicators	Value	Satisfaction	Quality
Advertisement (X1)	Information	0.533	0.283	0.139
	Transformation	0.288	0.405	0.187
	Emotion stimulation	0.082	0.265	0.435
	Practical Use	0.202	0.158	0.194
Sales Promotion (X2)	Discount	0.332	0.421	-0.010
	Coupounds	0.470	0.430	0.132
	Gift	0.288	0.327	0.192
	Product Trials	0.229	0.472	0.081

Brand Image (X3)	<i>Functionality</i>	0.550	0.403	0.322
	<i>Quality</i>	0.442	0.485	0.311
	<i>Realibility</i>	0.469	0.569	0.381
	<i>Fellings</i>	0.548	0.414	0.110

1) Correlation of Advertising Variables

Based on the correlation test in table 4.11 of the correlation between dimensions that most strongly affect the buying interest of the advertising variable is the *dimension* of Information with a *value* of 0.533 which is moderately correlated. meaning that when consumers feel pleasure and also clarity of the information conveyed obtained, then buyback interest can increase through the use of shopee application while the lowest correlation between dimensions in affecting buying interest is the dimension of emotion *stimulation* with a value of 0.082.

2) Correlation of Variable Sales Promotion

The correlation between dimensions that the dimensions most strongly influence re-buying interest is *the coupon* dimension with a *value* with a moderately correlated value of 0.470. For that reason, by maintaining the provision of coupons to customers, re-buying interest will also increase. While the lowest correlation between dimensions affecting re-buying interest is *the price discount* dimension with *quality* with a value of -0.010.

3) Korelation Variable Brand Image

Based on the results of the test the strongest correlation coefficient is in the dimension of *realibility* with *satisfaction* with a value of 0.569 which shows that the realibility or reliability of the brand image of shopee has helped influence consumers in repurchase. The lowest correlation coefficient result is in the dimension of *feelings* with *quality* with a value of 0.110.

4. Conclusion

Advertising variables have a positive and significant influence on buying interest using the Shopee app, Sales promotion variables have a positive and significant influence on buying interest using the Shopee app, while Brand Image Variables have a positive and significant influence on buying interest using the Shopee app. Seway together variable advertising, sales promotion and brand image affect the interest in buying again using the shopee application.

Regression test results state that brand image variables are the variables that most affect buying interest. Based on the variables of advertising, *information* is the initiator that most strongly affects buying interest. Based on the variables of sales pitches, *coupons* are the most powerful indicators affecting resale interest. While from the variable brand image *realibility* is the most powerful indicator affecting buying interest..

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