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4. Chronological Development of the Corporate Governance Guidelines in Bangladesh: A Comparative Analysis between CGG-2013 and CGC-2018
The Effect of Discount and Promotion towards Customer Purchase Intention in Online Shop

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Abstract

Indonesia is currently intensifying its level of awareness of the importance of starting a business as an entrepreneur. How to respond to technological developments to help support the growth of a start-up entrepreneur. Usually before buying a product, customers always think of many factors that can influence their buying decisions in online shopping. The two factors that most influencing are, Discounts and Promotions, which can greatly determine people's purchase intention, before finally buying the product. The researcher begin research with the aim to understand whether these 2 factors are factors that really affect someone's buying interest before doing online shopping. For this study, information and data collected by the survey by using means of questionnaires. And it standard measurements using a 5-point Likert scale, and processed by IBM SPSS Statistics 25 program. In this study, it has been found that indeed these two factors, Discounts and Promotions, are both influential in encouraging someone's purchase intention in conducting online shopping transactions. We found that both factors are significant and influence each other. The results of this study expected to help broaden the horizons of buyers and sellers about the benefits of discounts and promotions in online shopping.

Keywords: Discount, Promotion, Purchase Intention, Customer Purchase

Major classifications: M20, M30, M31

1. Introduction
Online shopping trend is currently growing tremendously in the world right now. People find it very practical to be able to shop and buy things only from the touch of their fingers and wait for the goods to deliver to them instead of the conventional way of buying from store and hand carry the goods to home. In United States, people become educated on the practicality of online shopping. This proved on the facts that since 2013, when the boom of online shopping happened, the percentage of the online shopping users has been steadily increasing by 1.2% percent each year, until 2020 year it will expect that 12% of America people will use online shopping as a primary shopping way (www.statista.com).

The similar thing happened in Indonesia as well. Because of the boom of online shopping has reach in Indonesia, currently there are many e-commerce services that has been appearing one at a time. Some pioneers and well-known e-commerce are for example: Tokopedia, Blibli, Shopee and Bukalapak. Most of people in Indonesia are mainly using smartphones to access the internet and of course it is the most used to access e-commerce websites. This has proved how much Indonesian people like practicality and mobility to shop. That is why e-commerce already become a major business opportunity. Customer considered many factors by before making purchase in certain online shops / e-commerce in Indonesia. The phenomenon happened because customers tend to make some judgment based on many factors before they buy from their respective e-commerce. The most picked results are because people think there are discounts that fit for their buying needs at that very moment, and the other is the promotions that could be in a form of limited time sales or limited quota promotions. The researcher wants to research the effect of discounts and promotions towards buying intention online shopping.

First, look at the first factor. Discount itself has many variations of meanings and used in many kinds of things. The most general and relevant one according to Webster (2016), discount is a reduction made from the gross amount of a regular or list price. According to this, the simplified explanation is that a discount is reducing the actual price of a product, with the purpose to gain more sales towards goods. The second factor is promotions. Promotion itself has complex definitions as well, but the most relevant is according to Huang & Sarigöllü (2012), promotion is a set of activities, which communicate the product, brand and service to the user. The idea is to make people to be attracted to the product. Nowadays, the term promotion has been synonymous with deals and offerings, means that people associate sales promotion to a one-time deal or a limited quota deal. As we all have seen from the facts, these 2 factors are the most picked reason why people would like to shop online instead of the conventional offline way.

According to these facts, the researcher concluded that it is important to look more thoroughly into this topic. Nowadays, start-ups and new entrepreneurs has been grown significantly each year. People, especially in Indonesia, understand the benefit and the profit they could gain as a new entrepreneur, compared to for example, a corporate works. As an entrepreneur, it is understood the way what online shop works and utilize it as maximal as they could. Because we are entering the era where everything is digitized, and you could shop things instantly on online shop as well. As an entrepreneur, the researcher sees this as an opportunity to study the buying intention from people, to be able to benefit for the researcher’s business or other reader businesses in the future. By understanding the effect, we as entrepreneur, could learn the timing to put things on sale and promotion, so that it could push customer buy intention to the maximum potential.

2. Literature Review and Hypothesis

According to Arora & Aggarwal (2018), the general definition of online shopping is act of sale or purchase of goods or services conducted over computer networks by methods specifically designed for the purpose of receiving or placing of orders. Online shopping began on 1980, which Michael Aldrich connected a modified domestic TV to a real-time transaction processing computer via a domestic telephone line. Video modified domestic TV technology with a simple menu-driven human–computer interface, was a 'new, universally applicable, participative communication medium — the first since the invention of the telephone.' This enabled 'closed' corporate information systems to be opened to 'outside' correspondents not just for transaction processing but also for e-messaging and information retrieval and dissemination, later known as e-business.

Discount itself has many variations of meanings and used in many kinds of things (Jin-Song & Yin, 2014). According to research conducted by Blois (1994), Discount is a price reduction given by the seller to the buyer as a token of appreciation of a certain activity from the buyer that pleases the seller. There are some indicators for Discounts:
1. Quantity discount: is a given price reduction in purpose of pushing the customer purchase intention to buy more product in large quantity, to increase the overall sold products.
2. Seasonal Discount: a price reduction given only on certain period. Usually used to push the customer purchase intention on goods actually needed in the future.
3. Cash Discount: a price reduction given to customer on a period of transaction, and in which the customer paid on time.
4. Trade Discount: is a price reduction given by wholesale to the retailers, which involved on the process of goods distribution and certain functions likes sales, shipment, warehousing, and record keeping.
5. Another theory by Garbugli (2016), Discount is not only come in a form of price reducing from the initial point itself. Discount could come in many various ways with the same goal, so as a seller, you should not have given out price reduce for ‘free’.

According to Familmaleki et al. (2015) and Arce-Urizza et al. (2016), promotions is a short-term strategy to derive demand and also special marketing offer which will provide more profit than what consumers receive from the sales position of a product and also has sharper influence on sales. Promotions consists of technique that are aimed solely on increasing sales in the short run, meaning that they are mostly only used on a short period of time, before they change it to other promotion method.

Kotler & Keller (2018) described another is in their book, they describe 3 kinds of indicator for promotion:
1. Advertising, which is a form of non-personal presentation and idea promotion, goods, or services through a mass media (newspaper or magazine), broadcasted through a network media (telephone, cables, satellite, wireless), sales promotions share a short-term incentive to help push the try-outs or purchase of a goods.
2. Sales promotions, which is various short-term incentive to push customer to purchase a product or services provided.
3. Direct promotions, which is a media usage that used to communicate directly with customer or a prospective customer to introduce a product or goods.

Pride and Ferrell (2016) presented another theory, promotion is an activity or material that acts as direct reduce, offering added value or incentive for the product to the resellers, salespeople and consumers. Purchase intention is a kind of decision-making that studies the reason to buy a particular brand by consumer (Shah et al., 2012 & Rajagopal, 2006). Mirabi et al. (2015) & Sulaiman & Hadi (2017) define purchase intention as a situation where consumer tends to buy a certain product in certain condition. Consumer purchase intention and decision is a complex process where consumer access and evaluate a certain product that will determine the future purchase.

Customer purchase intention is the hidden desire inside the customer’s mind. Purchase intention always veiled inside every individual. No one would ever know what wanted and hoped by the customer (Zhang et al, 2017; Rizky et al, 2014; Munger & Grewal, 2015). Purchase intention are how big the probability for the customer to stick to the desire to buy. Not just that, purchase intention can also be interpreted as an effective response or a feel process or liking a product but does not have the decision to purchase (Shah et al, 2012). According to the same author, the purchase intention indicators are:
1. Attention, which is the attention from the prospective customer toward the presented product
2. Interest, the interest of a customer towards the presented product
3. Desire, the desire of a prospective customer to have the offered product.
4. Action, when a prospective customer buys the offered products.

According to the journal and research conducted by Isabella (2015), she has been researching the influence of discount price on consumer behavior, especially on purchase intention. She conducted the research in where she compares on how people would react on the notice of price discount announcement and how they immediately follow up, either to just pass by or purchase the product. In this case, she used the framing effect as the theory foundation to research this topic. According to the data analysis, the two experiment suggest that quality perception toward the goods could be a possible moderator of purchase intention, since it linked to the pricing structure. The main outcomes of the experiment support the theory that if the discount value is close to the reference value, it will increase purchase intention.

According to Eisenberg (2016), doing promotions in a limited time and period, will causing people to feel that they will receive incentive to purchase now rather in a later date. In other words, it could push the customer purchase intention to buy the goods in the immediate moment. By giving out the promotion in a limited quantity or time, the customer will have a sense of urgency to purchase the goods and to push the purchase intention further, it is very encouraged to emphasize on the terms of “limited” or “flash sales”, in relevance of online shopping. Another form of support to push purchase intention is to give a
detailed information for the customer, so that they will be able to rely on that information to grow the sense of believability towards the e-commerce promotions. If the promotions given by the e-commerce is relevant with the information needed by the customer to buy, it could greatly help them to purchase the goods during the period of promotion. This could be a good tactic to push sales because customers trust toward the e-commerce promotion is good and the source of information are detail and trustworthy. The following topic will have the following hypothesis

H1: Discount in Online shop media is affecting customer purchase intention.

H2: Promotion in Online shop media is affecting customer purchase intention.

3. Research Methods

The method of research use in this study is quantitative research. According to Goertzen(2017) “quantitative research” is mainly concerned with collecting and analyzing data that is structured and can be represented numerically. The goals of quantitative research are to build accurate and reliable measurement to allow for statistical analysis. Population is the collection of elements that consist of object and subject which can observe by the researcher. Umar & Madugu (2015) stated that population is a collection of survey elements. In this research, the population will be the people who have been conducting transaction in Online Shopping services. According to Majid et al (2018), Sampling is the process of selecting a statistically representative sample of individuals from the population of interest. The researcher determines the sample of this research by using the method of purposive sampling. Purposive sampling is one of the non-probability sampling techniques where the researcher determines the sampling by establishing specific characteristics that are in accordance with the research objectives so that it expected to answer the research problems. The characteristics of the purposive sampling will base on certain characteristics such as:

1. Respondents who have experience on buying from online platforms.
2. Respondents based on Surabaya.
3. Respondents have experience on making use of the discounts and promotions on a certain e-commerce platform.

Because the number of the population is indefinite, so to understand and determine the number of the population will be using the Unknown Population method. The formula will be used is as following

\[ n = \frac{Z^2}{\mu^2} \]

Details:
1. \( n \) = Sample size
2. \( Z \) = The sample confidence level needed in the research, with \( a = 5\% \) (percentage of confidence set is 95\%), so \( Z = 1.96 \)
3. \( \mu \) = Margin of error, the tolerable error level. (set on 10\%)

Based on the previous formula, the results will be 96.04 (rounded to be 97). As stated by the formula, the number of the sample will be 100 people, with the requirement of 97 people. As explained by Bolarinwa (2017), questionnaire is a tool for collecting and recording information by delivering predetermined set of questions to the respondents. Data sources obtained from primary data and secondary data. Primary data obtained from the answers to the questionnaires shared with the ones concerned. The questionnaire uses a 5 Likert scale as the level of answer given by the respondent. Likert scale used to obtain or know opinions, attitudes, and perceptions about the phenomenon of research.

The definition of validity as explained by Heale (2015) is a concept accurately measured in a quantitative study. The item measured will be able to state as valid if the correlation existed is significant with the total scores. If the correlation significance is \( p < 0.05 \). The item stated as valid with a confidence level of 95\%. Taherdoost (2016), reliability purpose is to measure a phenomenon that will provide stable and consistent results. Testing for reliability is important because it refers the consistency across the parts of a measuring instrument. The most commonly used is the Cronbach Alpha coefficient because it works altogether with Likert scales. It will be reliable that if the coefficient is \( > 0.6 \), if it’s \( <0.6 \), then it is not reliable

4. Results and Discussion

4.1. Results
Table 1: Independent Variable 1 Processed Results

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Answers Count</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percentage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X1.1</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>103%</td>
<td>21%</td>
<td>6.2%</td>
<td>28.9%</td>
</tr>
<tr>
<td>X1.2</td>
<td>0</td>
<td>0</td>
<td>15</td>
<td>34</td>
</tr>
<tr>
<td></td>
<td>0%</td>
<td>0%</td>
<td>15.5%</td>
<td>35.1%</td>
</tr>
<tr>
<td>X1.3</td>
<td>3</td>
<td>14</td>
<td>27</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td>3.1%</td>
<td>14.4%</td>
<td>27.8%</td>
<td>29.9%</td>
</tr>
<tr>
<td>X1.4</td>
<td>4</td>
<td>10</td>
<td>21</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td>4.1%</td>
<td>10.3%</td>
<td>21.6%</td>
<td>27.8%</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From the Table 1, it shows the first variable: Discount, which processed through the questionnaires given to the samples. From the table, it can be seen that the average mean of the variable is 4.055, in which the people agree that these indicators of discount variable is in the agree category. The 4th indicator have the highest standard deviation with the number of 1.158, compared to the 2nd indicator which have the standard deviation of 0.734. This means that the 4th indicator have the most distributed and balanced answers.

Table 2: Independent Variable 2 Processed Results

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Answers Count</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percentage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X2.1</td>
<td>3</td>
<td>5</td>
<td>24</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td>3.1%</td>
<td>5.2%</td>
<td>24.7%</td>
<td>38.1%</td>
</tr>
<tr>
<td>X2.2</td>
<td>1</td>
<td>11</td>
<td>29</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td>1.0%</td>
<td>11.3%</td>
<td>29.9%</td>
<td>38.1%</td>
</tr>
<tr>
<td>X2.3</td>
<td>1</td>
<td>2</td>
<td>13</td>
<td>44</td>
</tr>
<tr>
<td></td>
<td>1.0%</td>
<td>2.1%</td>
<td>13.4%</td>
<td>45.4%</td>
</tr>
<tr>
<td>X2.4</td>
<td>3</td>
<td>13</td>
<td>29</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>3.1%</td>
<td>13.4%</td>
<td>29.9%</td>
<td>32.0%</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 2 shows the second variable, promotion, which has been processed through the questionnaires given to the samples. From the data processed, it is visible that the samples are all agree with the indicators given by the researcher to the samples. The average mean of the indicators is 3.81, shows that the variable given by the researcher supported by the samples. The researcher draw a conclusion that each indicator is similarly able to give out the best aspect of the promotion variable. With the scores of 1 and 2, that exists in each of indicators, shows that there are some who disagree with the indicators and didn’t...
thought that these indicators are the best suited to represent the benefits of promotions. With the average standard deviation of 0.9625, indicates that the data are homogenous, with X2.4 be the least homogenous.

Table 3: Dependent Variable Processed Results

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Answers Count</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percentage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y1</td>
<td>0, 1, 11, 49, 36</td>
<td>4.24</td>
<td>0.689</td>
<td>Strongly Agree</td>
</tr>
<tr>
<td>Y2</td>
<td>0, 2, 14, 47, 34</td>
<td>4.16</td>
<td>0.746</td>
<td>Agree</td>
</tr>
<tr>
<td>Y3</td>
<td>0, 1, 11, 45, 40</td>
<td>4.28</td>
<td>0.703</td>
<td>Strongly Agree</td>
</tr>
<tr>
<td>Y4</td>
<td>0, 2, 11, 49, 35</td>
<td>4.21</td>
<td>0.721</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>Average</td>
<td>4.22</td>
<td>0.713</td>
<td>Strongly Agree</td>
<td></td>
</tr>
</tbody>
</table>

Table 3 shows the processed variable dependent data from the questionnaires distributed to the sample of this research, which is purchase intention. Majority of the respondents agree to the indicators of the variable (in which presented in the form of the question), with only 1 and 2 people who disagree with the indicators given by the researcher. The average mean of the indicators is 4.22, which categorized as Strongly Agree, and with the standard deviation of 0.713, the data is not considering homogenous. In this variable, it can see that the average mean of the dependent variable is higher than the independent ones. Meaning, this explain the purchase intention among the sample of the research. The indicator of Y1 has the lowest standard deviation, meaning it is the most homogenous. While Y2 being the highest amongst all other indicators.

The validity test is done based on the Pearson correlation theory, in which in this theory he stated that the Sig. value should be equal or below of 0.05. The researcher test result produce a number of 0.000 for every indicator of Discount, Promotion and Purchase Intention. 0.000 means that it is below 0.05, because of that the researcher concludes that all indicator in the variables will consider valid.

The reliability test based on the Cronbach Alpha’s theory that stated, the alpha value has to be more than 0.60. to be considered reliable. The test result produced by the researcher show the standard deviation average of 12 indicators are 0.828, means that the data can be considered reliable because it is more. Than 0.60.

Table 4: Regression Test Results

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficient</th>
<th>Standardized Coefficient</th>
<th>T-test</th>
<th>P-value.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Errors</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.747</td>
<td>.297</td>
<td>5.889</td>
<td>.000</td>
</tr>
<tr>
<td>Discount (X1)</td>
<td>.160</td>
<td>.066</td>
<td>.188</td>
<td>2.432</td>
</tr>
<tr>
<td>Promotion (X2)</td>
<td>.480</td>
<td>.060</td>
<td>.619</td>
<td>8.001</td>
</tr>
</tbody>
</table>

In Accordance to the Table 4, the multiple regression equation will be:

\[ y = 1.747 + 0.160 X_1 + 0.480 X_2 \]

\( Y \): Purchase Intention \( X_1 \): Discount \( X_2 \): Promotion

Stated by the equation above, without Discount and Promotion, the researcher conclude that Purchase Intention will have a value of 1.747. Because in the equation, if \( X_1 \) and \( X_2 \) are valued as zero, \( Y \) value will be 1.747. Discount has a value of 0.160, which means that Discount has the coefficient of 0.160, and whenever Discount is not zero, the Purchase Intention will likely
be increasing as well, and it works the other way around too. The positive value of Discount indicates that the independent variable positive impact the dependent variable. Promotion has a value of 0.480, which means that Promotion has the coefficient of 0.480, and whenever Promotion is not zero, the Purchase Intention will likely be increasing as well, and it works the other way around as well. The positive value of Promotion indicates that the independent variable positively impact the dependent variable.

The F test is mainly used to discover if the independent variables have a significant impact altogether towards the dependent variable. The F test shows how Discount and Promotion test result, simultaneously affecting the purchase intention with F value of 45.098 with a significant value of 0.000. This proved that the F is < 0.05, making Discount and Promotion have significant impact towards purchase intention in online shopping. The partial significance explained that the independent variable is influencing the dependent variable in terms of significance value. With discount sales each have significance value of 0.017 and 0.000, which both are < 0.05, meant that it met the criteria needed for it is to be considered significant in influencing Purchase intention. Therefore, the researcher concluded that both Discount and Promotion have significant impact towards purchase intention on online shopping.

The test result numbers of Coefficient of Correlation (R) and Coefficient of Determination test (R²). The R from the research shows a value of 0.700, which is a positive value. Therefore explaining that the independent variables have positive impact and relationship towards the dependent variable. Because of that fact, the researcher concluded, if there are an increased number of discount offerings and Promotion methods will increase a positive influence in Purchase intention in online shopping, because there are already a positive relationship between the three variables. For the number of 0.479 of the adjusted R square, it is showing the ability of the independent variable to affect and influence the dependent variable. The researcher concluded that Discount and Promotion both have a major ability to influence the Purchase Intention, if rated in percentage become 47.9%, which is almost half of the maximum value. While the other 52.1% are the other independent variables that is not discussed in the research. For the classical assumption tests, all the tests include Normality, Multi-collinearity, Heteroscedasticity, Auto-Correlation and Linearity test result shows that all are accepted.

4.2. Discussion

The researcher draws a result of significant values for each independent variable. For the first variable, the researcher had a significant value of 0.017 and a coefficient value of 0.146. From the data, the researcher can conclude that Discount in Online Shopping is affecting Purchase intention positively and significantly. This matches the researcher initial hypothesis (H1) in which stated, “Discount in Online shop media is affecting customer purchase intention”; and it proves.

From the descriptive analysis, it sees that people favor more on variable X1.1, which explains that they like if the discount given to them if they buy in bulk or in multiple quantities. This indicates that from the all the indicator provided by the researcher, this indicator seems to prove to attract more people to use discount as their push for Purchase Intention. By given discounts on those kinds of purchases, it will surely give advantages and more profits for the seller and for the customer as well.

While on the other hand, X1.3 is one of the least considered indicators for people to understand and recognize the usage and advantage of Discount in order to push people’s Purchase Intention. The indicator stated that people feel motivated to pay their credits on time if given a certain discount. While half agrees to these, the other half actually disagree and feeling neutral about this statement. They felt that a discount given by the seller, to push them to pay their credit on time is not really significant, therefore, they felt that this indicator is not the most important or the most affecting among other indicators on the Discount variables.

From the descriptive data given, the researcher makes an assumption, that people have different motivation that could push their purchase intention through the benefits of discounts. From the indicator given people seems to like more to give discount in such conventional ways, for example or in summary, people like it when discount is giving in a form of price reduction instead of having different motivation behind it. This also matches the previous theory by Isabella (2015), in which she stated that when people understand the benefit and value from a discount, people even react towards the announcement of a discount on online shopping, because they feel how significant it is for an Online Shopping to have a good discount offering to push their purchase Intention. In conclusion, they understand how to value goods based on the discount given by the seller. By
understanding the value of the discount towards a certain goods, people would assume and conclude the real value of the goods themselves, and that certainly affect their Purchase Intention on those factors given.

The researcher draws a result of significant values for each independent variable. For the first variable, the researcher had a significant value of 0.000 and a coefficient value of 0.480. From the data, the researcher can conclude that Promotion in Online Shopping is affecting Purchase Intention positively and significantly. This matches the researcher initial hypothesis (H2) in which stated, “Promotion in Online shop media is affecting customer purchase intention”, and it is proving.

From the descriptive analysis, people favor more on variable X2.3, which explains that they like if the promotion given to them in the form of price reduction, which only usable for short terms incentives. This indicates that from the all the indicator provided by the researcher, this indicator seems to prove to attract more people to use promotion as their push for Purchase Intention. By given promotion before they even decide what to buy, it will surely give advantages and more profits for the seller and for the customer as well. While on the other hand, X2.4 is one of the least considered indicators for people to understand and recognize the usage and advantage of Promotion in order to push people’s Purchase Intention. The indicator stated that people like if given promotion verbally or directly. While half agrees to these, the other half actually disagree and feeling neutral about this statement. They felt that a promotion given by the seller, in a way of verbal and direct is not significant. They felt that this indicator is not most important or the most affecting among other indicators on the Discount variables.

From the descriptive data given, the researcher makes an assumption, that people have different motivation that could push their purchase intention through the benefits of Promotion. From the indicator given people seems to like more to be given Promotion in such conventional ways, for example or in summary, people like it when Promotion given is just in a form of price reduction for a short-term incentive instead of having different motivation behind it. This also matches the previous theory by Familmaleki (2015), in which he stated that Promotions is a short-term strategy to derive demand and special marketing offer that will provide more profit than what consumers receive from the sales position of a product and has sharper influence on sales. Promotions consists of technique that are aimed solely on increasing sales in the short run, meaning that they are mostly only used on a short period of time, before they change it to other promotion method. In conclusion, they understand how a good promotion works, and how it could affect their purchase intention.

5. Conclusions and Limitation

Based from the results of the research, discussion and hypothesis test that has conducted by the researcher on the previous part, it has concluded that Discount has a positive and significant impact towards Purchase Intention in Online Shopping activities and Promotion has a positive and significant impact towards Purchase Intention in Online Shopping activities.

From the data and research concluded, the researcher has concluded some of the suggestions that could use for new entrepreneurs and start-ups on online platform. The researcher has been successfully understanding and concluding how it could benefit for new entrepreneurs to thrive in the online platform business. By understanding the right timing and right opportunity to seize on giving discounts and promotions for their goods and services, people would most likely be interested to look and buy the products offered by the new entrepreneurs. It is important to understand because these two are significant factor to push people purchase Intention. After conducting this research, the researcher has learned many things about Discount and Promotion could affect people Purchase Intention in Online Shopping. As a new start-up, the researcher has learned the significance importance of those two factors mentioned before. It is important so that the researcher, as a new startup, will not have too much loss in trying out strategy on giving out discount and promotion, and how the researcher do not make the future buyer feel wronged buy the false advertisements of discount and promotion on the researcher’s goods.

There are certain limitation in this research that the researcher has found through the process of researching, one of it is that there are limitation on the answers given by the researcher to the respondents, so there are less variation to the answers given by the respondents. And there are no strength from the questionnaires that could provide a guarantee that every single one of the respondents have already read the research through and not skipping through it and answers the question as it is.
References


