

THE EFFECT OF SALES PROMOTION IN SOCIAL MEDIA ON THE STUDENTS: PURCHASE INTENTION OF FACE CLEANER WATER PRODUCT

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ABSTRACT

The purpose of this research was to determine the effect and the correlation of sales promotion in social media to purchase intention of L'oréal Paris Micellar Water product. The respondents were Binusian (Bina Nusantara students) class of 2013 majoring in marketing communications. The method was the quantitative-explanatory method. Simple linear regression analysis in SPSS 23 was used to process the data. The results of this research indicate that sales promotion in social media has a significant effect on purchase intention of L'oréal Paris Micellar Water product to the respondents. Moreover, the correlation is positive.

Keywords: sales promotion, social media, purchase intention

INTRODUCTION

The rapidly business growth causes the increased business competition. Every company competes to increase sales and create innovative marketing strategies. It aims to attract consumers. Good marketing activities should provide information for consumers about product and position the product properly in the top of consumers mind. One of the ways to improve the marketing of a product is a promotion.

The digital revolution has encouraged people to get information through various media. It also motivates people to create and develop media to facilitate access for information sharing. Social media is one of the media on the Internet that is widely used to improve the marketing of products or services. In today's digital era, people can go anywhere and anytime using social media and interact with others in the nanosecond range. Thus, the use of social media as a marketing tool is also more cost-effective and efficient. According to Wang, Chen, and Chen (2016), green cognition not only has a direct effect on purchase intention, but it also has an indirect effect on purchase intention via brand image.

Some companies also use various social media for promoting its products and services. If the target market of the product is the millennial generation, the use of social media is very influential. Millennial generations grow alongside with modern technology, so the presence of social media becomes the primary medium for accessing information. Many companies are now choosing to use social media as one of the promotional media. It is because the use of cheaper and effective cost can reach all people without geographical and time constraints. Consumers can get information about the product or service easily. One of the goals of effective marketing is to introduce the existence of a product to its customers extensively and how to make the product be in the minds of consumers.

Kotler in Kertajaya (2009) stated that promotion mix was called as marketing communication mix. The company uses the strategy to communicate persuasive customer value and build customer relationships. According to Kertajaya (2009), there are five parts of the promotion mix. First, advertising is the form of ideas, products, and services promotion and presentation from sponsors. The advertising can be in the form of billboards, Internet, mailing, motion pictures, house magazines, packaging-outer displays, display signs, the point of purchase, posters and leaflets, print ads directory, broadcast ads, and packaging inserts. Second, sales promotion is a short-term boost to buffer sales of products and services. The sales promotion can be in the form of contest, games, sweepstakes, lotteries, gifts, tie-ins, sampling, fairs and trade shows, exhibition, demonstrations, coupon, rebates, low-interest financing, entertainment, trade in allowances, and trade promotions. Third, public relation is a program designed to maintain or protect the company or the impression of the current product. The example of public relation can be press kits, speech, seminars, charity donations, sponsorships, publications, community relations, annual reports, lobbying, and media. Fourth, personal sales or personal selling is the most effective tool especially in the process of influencing the purchase, trust, and behavior of customers in delivering the product. The example of personal selling can be sales presentation, sales meeting, incentive program, and exhibition. Last, direct selling is an interactive marketing system that uses one or more advertising media to influence responses or transactions. Direct selling can be in the forms of catalogs, mail, telemarketing, Internet, and TV shopping.

According to Alma (2011), promotion is essentially a form of marketing communication. It is a marketing tool to disseminate information and improve the target market of products. The promotion can be in the form of social media. Then, one product that uses social media for promotion is L'Oréal. It is a part of PT L'Oréal Indonesia. One of the strategies to gain interest to purchase the products is by innovative and exciting promotions through social media. PT L'Oréal Indonesia uses social media such as Instagram, Twitter, Facebook, and Youtube as its promotional media. One of L'Oréal's products that is promoted through social media in February-March 2017 is L'Oréal Paris Micellar Water. The promotion of L'Oréal Paris Micellar Water uses the hashtag of #carewithmicellar. L'Oréal Paris Micellar Water is a facial cleanser with a light texture, and no alcohol and fragrance, so it is soft for the skin. L'Oréal Paris Micellar Water is formulated with innovative micellar molecules. It is capable of capturing dirt, makeup residue, and dead skin like a magnet in one swab. Meanwhile, the alcohol-free content of glycerin and its formulation take care of the natural moisture in the skin. Then, people feel fresh skin without excessive dryness. In contrast to makeup cleaning products in general, L'Oréal Paris Micellar Water can be makeup and skin care product simultaneously.

Sales promotions through social media are also attractive. L'Oréal Paris Micellar Water products consist of two variants. It has two different colors, pink for dry skin, and blue for oily skin. The creativity in promotion through social media can be seen from L'Oréal brand ambassadors, Dian Sastro and Maudy Ayunda. These two public figures represent both L'Oréal Paris Micellar Water products with #timmaudy campaign for blue L'Oréal Paris Micellar Water and #timdian for pink L'Oréal Paris Micellar Water. This promotional strategy is created to be more inherent and create interest in purchasing L'Oréal Paris Micellar Water product. Moreover, L'Oréal Paris Micellar Water product uses the discount strategy, contests, and joint promotions. According to Khatib (2016), the influence of social media differs depending on the various stages of the consumers' purchasing decision-making process. The influence is more on information post-purchase stage and is followed by purchase decision stage. The study also highlights the implications for marketers that have the opportunities to seize the influence of social media.

Xu and Huang (2014) said that bonus packs had greater impact on offline impulse purchase than discounts. However, the findings were different in the online impulse purchase context. The discounts had greater impulse purchase intention than bonus packs when the product was hedonic. Bonus packs were more effective sales promotion than discounts when the product was utilitarian. In addition, discounts resulted in greater impulse purchase intention than bonus packs when the product was inexpensive. Meanwhile, bonus packs were more effective sales promotion than discounts when

the product was expensive. Moreover, Khan et al. (2015) agreed there was a positive impact of word of mouth on consumer purchase intention. For L'Oréal, it already has very good awareness in the target market. However, for L'Oréal Paris Micellar Water, word of mouth strategy needs to be optimized against others product as a face cleaner water.

In this study, the author focuses on how a promotion in social media can affect consumer purchase intention. Based on the description mentioned, the authors can formulate the problem. It is whether there is relationship between promotion of L'Oréal Paris Micellar Water product in social media with purchase intention of Bina Nusantara student (Binusian) in Marketing Communication class of 2013. Thus, the research objective is to find out the relationship of promotion of L'Oréal Paris Micellar Water product in social media to the purchase intention of Binusian in Marketing Communication class of 2013.

METHODS

This research is quantitative. The data obtained for this research are primary data and secondary data. The method to collect data is a questionnaire using Likert scale. After doing the formulation of the operationalization of variables, the researchers perform data analysis. The data analysis will be validity test, reliability test, correlation analysis, and simple regression analysis.

The population in this study is Bina Nusantara student (Binusian) of 2013 of Marketing Communication. The reason that the researchers choose them as the population is because the students are millennial generation. They actively use social media for searching information so that it can represent consumer of L'Oréal Paris Micellar Water product.

The sample design used is nonprobability such as the accidental or convenience sampling method. Sugiono (2016) explained that the sampling method was a sample determination technique. It was based on accidental or incidental encounter with the researchers. Then, it could be used as a sample when the person was suitable as the data source.

In this research, researchers use SPSS 23 for data processing such as validity test, reliability, normality, regression test, and hypothesis testing. The hypotheses of this study are as follows.

Ha1: Sales promotion in social media has a significant effect on purchase intention.

H01: Sales promotion in social media has no significant effect on purchase intention.

Ha2: There is a positive relationship between sales promotion in social media with purchase intention.

H02: There is no positive relationship between sales promotion in social media with purchase intention.

This research is quantitative and causal by measuring the change of dependent variable (purchase intention) caused by independent variable (sales promotion in social media). Moreover, deductive approach is used. Then, data are collected through questionnaires. The questionnaire contains sixteen items. Nine items measure sales promotion on social media and seven items for purchase intention. Five points of Likert scale are used that one means strongly disagree, and five means strongly agree. The research framework is shown in Figure 1.

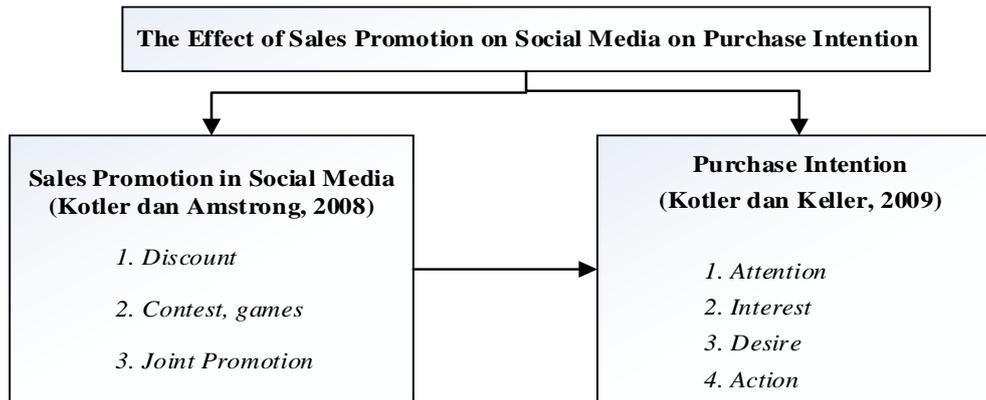


Figure 1 Research Framework
(Source: Kotler & Armstrong, 2008; Kotler & Keller, 2009)

RESULTS AND DISCUSSIONS

The L'Oréal group first came to Indonesia in 1979 by distributing Lancôme, one of the luxury brands. In the following years, some other brands of L'Oréal groups in luxury category have also gone into Indonesia such as Guy Laroche, Cacharel, and Ralph Lauren perfumes. In 1985, L'Oréal Group established a partnership with a local company and developed the first manufacturing company in Indonesia under the name of PT Yasulor Indonesia. In 1993, the L'Oréal Group took over all of its operation in Indonesia and formed PT L'Oréal Indonesia in 2000. By maintaining more than 16 cosmetics brands in Indonesia, until now, L'Oréal's activities in Indonesia focus on both entities. PT L'Oréal Indonesia handles marketing and distribution activities for L'Oréal brands, and PT Yasulor Indonesia produces skin and hair care products to meet the needs of the domestic and Southeast Asian markets.

Moreover, PT L'Oréal Indonesia is committed to being a responsible corporate citizen through active participation in social affairs. PT L'Oréal Indonesia received an award from the Asia Responsible Entrepreneurship Award of Indonesia in the Community Care category in 2009 and Education Care Award from the Ministry of National Education in 2010. It acknowledged the company's commitment to the education, science, and women's equality in Indonesia.

In the science, PT L'Oréal Indonesia supports female researchers. It starts with high school education. In the education, PT L'Oréal Indonesia has a Beauty for a Better Life education program that aims to help the Indonesian economy through beauty training. The targets of the program are women with lower middle-income, women who have become victims of violence, out-of-school youth, and unemployment. By giving them access to train, they learn how to take care of themselves and get their self-esteem back. PT L'Oréal Indonesia broadens their horizons, offers them new views on life through creative work, strengthens their independence, and provides employment opportunities.

PT L'Oréal Indonesia divides its business into three divisions, namely consumer products division, professional product division, and luxury product division. These three divisions overshadow the brands in Indonesia. The brands are L'Oréal Paris, Maybelline New York, Garnier, L'Oréal Professionnel, Kérastase Paris, Matrix, Lancôme, Biotherm, Urban Decay, Shu Uemura, Yves Saint Laurent, Kiehl's, Ralph Lauren perfumes, Giorgio Armani, Diesel, and The Body Shop which is distributed through PT Monica Hijau Lestari. As the top beauty brand sold in retail outlets, L'Oréal Paris has created many innovative products that are easy to access by all consumers. These brand ambassadors symbolize the ideal beauty through its legendary motto "Because we are so precious." In

more than 120 countries, L'Oréal Paris shows the philosophy by innovating and offering products with the best quality with the best price for the consumers. This philosophy comes from research within the L'Oréal lab and the desire to make professional products affordable.

L'Oréal Paris divides its products into three types, namely make-up, skin care, and hair color products. One of the products marketed by L'Oréal Paris is innovative facial skin care or facial cleanser without rinsing, L'Oréal Paris Micellar Water. L'Oréal Paris Micellar Water is a facial cleanser without rinsing with a light texture, no alcohol, and fragrance, so it is soft for the skin. L'Oréal Paris Micellar Water is formulated with innovative micellar molecules. It is capable of capturing dirt, makeup residue, and dead skin like a magnet in one swab. Meanwhile, the alcohol-free content of glycerin and its formulates take care the skin's natural moisture, so that the skin feels fresh without excessive dryness. L'Oréal Paris Micellar Water is a multifunctional facial cleanser. In addition to being cleanser for facial skin, L'Oréal Paris Micellar Water can also be used as a makeup corrector.

In marketing, PT L'Oréal Indonesia utilizes social media. It agrees that the social media plays an important role in information retrieval. This is in accordance with one of L'Oréal's pillars. The pillars are innovation, digitization, education, and human resources. Digitalization is considered as the most influential way to connect with consumers. Through social media such as Instagram, Facebook, and Youtube, it actively provides product and promo related information. Sales promotions made through social media are in the form of rebates, contests, and joint promotions.

Convenient sampling is used in the study. The sample of one hundred respondents was taken. Moreover, quantitative research software SPSS 23 is applied to test the hypothesis and interprets the results. Meanwhile, regression and correlation are done to achieve the results. The classification of respondents is based on gender and frequency of purchasing the L'Oreal Paris Micellar Water products in the last six months describes the profile of respondents based on their respective classification. It shows the gender of 100 respondents studied. In this study, the majority of respondents are female (74%), and the rest are male respondents (26%).

Purchase frequency can be seen that the majority of respondents who buy L'Oreal Paris Micellar Water in six months between 1-5 times about 57 people (57%). Then, 24 people (24%) buy the product more than 5 times, and the remaining 19 people (19%) do not buy the products in the last six months.

Table 1 F-Test

		ANOVA ^a				
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	189,465	1	189,465	26,028	0,000 ^b
	Residual	713,375	98	7,279		
	Total	902,840	99			

a. Dependent Variable: Y
 b. Predictors: (Constant), X

ANOVA or F test shows the results for sales promotion variables in social media (X) to the variable of purchase intention (Y). From the ANOVA or F test, F calculates 26,028 with significance level 0,000 <0,10. It means that this regression model is feasible to be used in predicting the relationship between independent variable and its dependent variable. The result is in Table 1.

Table 2 Correlation

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,458 ^a	0,210	0,202	2,69802

a. Predictors: (Constant), X

R Square shows the coefficient (R²) of 0,210. It means that the variable of purchase intention (Y) can be influenced by sales promotion variables (X) about 21%. Meanwhile, the remaining 79% (100% - 21%) is the contribution of other independent variables that are not included in this study. The result is in Table 2.

Table 3 Regression

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	12,295	2,790		4,408	0,000
	X	0,429	0,084	0,458	5,102	0,000

a. Dependent Variable: Y

Table 3 presents regression equation as follows:

$$y = 12,295 + 0,429x \quad (1)$$

Where Y is purchase decision, while X is sales promotion on social media. The regression equation can be concluded; (1) the value of positive constant shows the positive influence of sales promotion variable in social media (X). (2) The constant of 12,295 states that if there is no increase in the value of the sales promotion variable (X), then the value of the purchase decision (Y) is 12,295. (3) The value of sales promotion is 0,429 states that the higher the sales promotion rate applied then increase the purchase decision by 0,429 times from L'Oréal Paris Micellar Water product.

The criteria for testing the first hypothesis are as follows:

Ha1: The promotion of sales in social media has a significant effect on purchase intention.

H01: Sales promotion in social media has no significant effect on purchase intention.

Basic decision-making, Ha1 is accepted, and H01 is rejected if F count is > F table and sig. <0,10. Meanwhile, H01 is accepted, and Ha1 is rejected if Fcount is <Ftable and sig. >0,10. The Obtained F value count is 26,028 with sig. 0,000. Thus, it is 26,028 > 2,76 and 0,000 <0,1. From these calculations, it can be seen that Ha1 is accepted and H01 is rejected. In other words, there is a significant influence between sales promotion variables in social media to the variable of purchase intention.

Moreover, the second hypothesis testing criteria are as follows:

Ha2: There is a positive correlation between sales promotion in social media with purchase intention.

H02: There is no positive correlation between sales promotion in social media with purchase intention.

The basic second hypothesis decision making is if R is negative (-), H02 is accepted, and Ha2 is rejected. If R is positive (+), H02 is rejected, and Ha2 is accepted. R-value or correlation coefficient

is 0,458. Then, the relationship of sales promotion in social media on purchase intention is positive. It means if the sales promotion increases, purchase intention also increases. Thus, H02 is rejected, and Ha2 is accepted.

The results of this study are interpreted that from 100 respondents there are 26 (26%) men and 74 (74%) women. There are 57 people (57%) with the frequency of purchasing the product between 1-5 times in six months. Then, about 24 people (24%) buy the product more than 5 times, and the remaining 19 people (19%) do not buy L'Oréal Paris products in the last six months.

In the index analysis, it shows that the promotion of L'Oréal Paris Micellar Water is good. The results of the index analysis indicate that the strength of the promotion of L'Oréal Paris Micellar Water is on a joint promotion strategy. The joint promotion strategy with e-commerce has the most potential to raise the purchase decision by a score of 386. The respondents assume that the joint promotion done has the right timing. Meanwhile, the weakest sales promotion strategy is the contest. It is with the score of 362. It is not effective in improving purchase intention. The purchase intention of L'Oréal Paris Micellar Water product is good with an average score of 352. The interest is the highest indicator with a score of 392 about searching for L'Oréal Paris Micellar Water products. It means that the respondent has a strong interest in L'Oréal Paris Micellar Water. Meanwhile, the statement decides to look for the lowest product with a score of 348.

In the validity test of sales promotion variables in social media and purchase intention, all items of questions are valid because r count is greater than the r table. The r table is 0,1654. Then, in the reliability test, the question items are reliable because the Cronbach alpha is greater than 0,1654 so it can be used for further study. Meanwhile, the Kolmogorov-Smirnov test shows that the significance value is 0,121. It is greater than the error rate of 0,10, so it can be concluded that the data used are normal.

In F test, it finds that there is a positive and significant influence on purchase intention of L'Oréal Paris Micellar Water. Furthermore, in simple regression test, the influence is 21%, while the remaining 79% (100% - 21%) is the contribution of other independent variables that are not included in this study. The result for the first hypothesis test is that the sales promotion variable in social media has a relationship with the purchase intention. The relationship is strong enough and-positive. It means if the sales promotion increases, the purchase intention also increases.

CONCLUSIONS

From the study that has been done by using SPSS 23, it can be concluded that sales promotion in social media affects the purchase intention of L'Oréal Paris Micellar Water product. It has about 21% of 100%. The remaining 79% is a contribution of other independent variables that are not included in this study. The effect is positive and significant based on the F-test. Second, based on the results of the correlation test, the magnitude R or the correlation coefficient is 0,458. The correlation between sales promotion with the purchase intention is quite strong. It is because the value of r is in the range of 0,401 – 0,600. With R or a correlation coefficient about 0,458, the relationship of sales promotion in social media and purchase intention is positive. It means if sales promotion increases, purchase intention will also increase.

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