

# The Influence of Promotion and Price on Make Over Purchasing Decisions (Case Study on Nusa Putra University Students)

Neng Melan Rahayu<sup>1</sup>\*, Novita Riyanti<sup>2</sup>, and Novia Nirmala Sari<sup>3</sup>

**Abstract.** Make Over cosmetic products are a popular local brand in Indonesia. In the highly competitive cosmetics industry, promotion and price are important factors in influencing consumer purchasing decisions. This study aims to examine the effect of promotion and price on purchasing decisions for Make Over products for students of Nusa Putra University. This study uses an associative approach with quantitative methods. Data were collected through questionnaires distributed to 99 students of Nusa Putra University who had purchased Make Over products. Data analysis was carried out using descriptive statistics, classical assumption tests, and hypothesis testing with the help of the SPSS 26 application. The results of this study indicate that promotion and price play a significant role in influencing the purchasing decisions of female students at Nusa Putra University. This can be the basis for makeover companies to develop more effective marketing strategies for attracting students as potential customers.

Keywords: Promotion, Price, Purchase Decision.

#### 1 Introductions

Cosmetic products are used to enhance appearance and care for the skin, so as to beautify oneself. As time goes by and the industry advances, the cosmetics industry is experiencing rapid growth. The demand for cosmetic products continues to increase along with the increasing awareness of health and beauty. The use of cosmetic products is not only limited to women; more and more men are also using cosmetic products. In addition, various lifestyle trends, such as the need to look perfect on social media, also influence the popularity of cosmetics. In this context, the cosmetics industry has become highly competitive, with many local and international brands competing for consumer attention. Amidst this competition, cosmetics companies must continue to innovate, keep up with the latest trends, and maintain product quality in order to meet consumer expectations and needs.

The growing beauty trend has had a positive impact on the cosmetics industry in Indonesia. Consumers are increasingly interested in products that use natural ingredients, are environmentally friendly, and are free from harmful chemicals. This has encouraged the birth of cosmetic brands that embrace the concept of natural and sustainable beauty. In addition, the Indonesian government has also given greater attention to the cosmetics industry through regulations and policies that support the development of this industry. These include consumer protection, product safety standards, and efforts to promote local cosmetic products.

Based on research called for by CCI Indonesia from the BIZTEKA Survey Institute, the cosmetics industry in Indonesia is expected to continue to grow. With a value of Rp 13.9 trillion, the local cosmetics industry grew by 8.3% in 2015. This amount was higher than the IDR 12.8 trillion in 2014, which was the previous year's number. The

© The Author(s) 2024

N. H. K. Fadhilah and K. Kurniawan (eds.), *Proceedings of the 4th International Conference on Economic, Management and Accounting (ICEMAC 2023)*, Advances in Economics, Business and Management Research 286,

national cosmetics business saw an average annual growth rate of around 9.67% between 2010 and 2015. This data shows that the cosmetics industry is undergoing continuous development, both on a global scale and in Indonesia. The growth of the cosmetics industry in Indonesia can be attributed to several factors, such as the increasing interest of women in integrating makeup into their lifestyle and the continued purchase of beauty products by Indonesian women despite the economic slowdown [1].

Make Over is a well-known cosmetic brand produced by PT Paragon Technology & Innovation, which is also known as the company behind Indonesia's most popular halal cosmetic brand, Wardah. Based on a report from IDNTimes, Make Over is ranked second in the list of the most searched local cosmetic brands, only after products from Wardah [2]. Make Over has a unique brand image and tries to attract consumers with its values. Makeover products are aimed at the middle class, with prices that tend to be premium in that category. Make Over's product packaging is also designed to create a sense of elegance and luxury, which contributes to their distinctive brand image.

Make Over is a product from PT Paragon Technology and Innovation, which has been operating in the Tangerang area since 1985 (Paragon Innovation). The brand has achieved high popularity among Indonesian teenagers and women. Make Over's product packaging is black, creating an exclusive impression. The brand offers luxury products at affordable prices, thus maintaining the impression of luxury. With a variety of products on offer, Make Over competes directly with other brands such as Wardah and Emina, which are also produced by PT Paragon Technology and Innovation. Statistics on the sales of cosmetic brands in Indonesia confirm this.

No	Merek Kosmetik
1	Wardah
2	Make Over
3	Luxcrime
4	Pixy
5	Somethinc
6	Madame Gie
7	ESQA
8	Secondate
9	Jarte Cosmetic
10	Looke Cosmetic

Table 1. List of Best Local Cosmetics for April-June 2022

Source: compas.co.id, 2022

This list lists some of the local cosmetic brands that will be popular and in demand by consumers in 2022. The order of cosmetics brands on this list reflects the level of popularity and consumer preference for these brands. In 2022, Make Over managed to rank second on the list of the most winning and desirable local cosmetics brands. This achievement shows that Make Over, as a local brand, has managed to gaintremendous popularity and recognition in Indonesia. However, Makeover has yet to reach the top of the list. This isdue to the more aggressive promotion done by Wardah and the more affordable price of Wardah's products compared to Make Over.

In this context, the researcher has conducted a study withthe title "The Effect of Promotion and Price on the Purchase Decision of Make-Over Products.

In this context, this study aims to explore and analyze theeffect of promotion and price on the purchase satisfaction of students at Nusa Putra University. Some of the key questions answered by this study are: 1) How does promotion influence the purchase decision of Make Over products? 2) How does price influence the decision to purchase Make Over products? 3) What is the effect of promotion and price on purchasing decisions for Make Over products?

**Hypothesis.** Based on the results of research [3] and [4], which shows that the purpose of promotions run by companies is to influence consumers to buy products. The effectiveness of promotions also depends on the extent to which the makeover promotion is relevant to the target market and the extent to which promotional messages can be clearly conveyed to consumers.

H1: Promotion has a significant positive effect on purchasing decisions. Based on the results of research [5], which emphasizes that price is a major factor when consumers are the center of attention in the offer, and this can make the product a reference that they will choose again. Many consumers make price comparisons before making purchasing decisions, especially in the digital age where product and price information is easily accessible online.

H2: Price Has a Significant Positive Effect on Purchasing Decisions. Based on the results of research[6] and [7], which shows that there is a significant relationship between promotion and pricing strategies must be considered carefully and must be in accordance with the target market and company objectives.

H3: Promotion and price have a significant positive effect simultaneously on purchasing decisions.

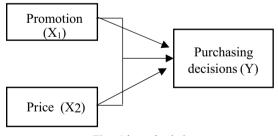


Fig. 1 hypothesis 3

#### 2 Literature Review

**Promotion.** Promotion is actually efforts to provide non-personalised information about ideas, products, and services produced by companies in the hope of influencing potential consumers tobuy the goods offered. The purpose of promotion is to provide information, convince, and remind people about the company's products [8]. promotion is an action that focuses oncommunicating the benefits of a product and encouraging target consumers to buy it [9].

**Price.** The price is the amount of money that must be paid by the buyer to buy an item[10]. Price has an important role in providing guidance and allocation in decisions taken by customers. Price is the value of an item measured in money[11]. Price can serve as a reference point that influences the allocation of resources in consumer decisions, showing how important the role of price is in the market environment.

**Purchase Decision.** One aspect of consumer behaviour is the selection processwhen making a purchase. Consumer behaviour can be explained as "every action associated with searching for, selecting, and evaluating products and services, as well as thedecision-making process before and after taking these actions"[12]. When consumers make choices, it can be thought of as an attempt to solve a problem. They have habits or goals to achieve when making decisions and look for ways to solve these problems. In addition, factors such as the environment, thought processes, emotions, and actions constantly interact to solve the problem [13].

### 3 Research Methods

This study used a descriptive approach and quantitative methods. The quantitative approach was used to investigate a portion of the entire student population at Nusa Putra University in the 2022 Odd Year Reporting, which reached a total of 7,323 students from various study programs. We collected data through an online questionnaire using the Google Docs platform. To determine the sample, we used the purposive sampling technique with two criteria: 1) female students who are currently undergoing an undergraduate program, and 2) students who are currently studying at Nusa Putra University. To determine the sample size, we applied the Slovin method, which allows us to select a representative number from a large population without having to include all members of the population. The calculation results show that the researcher will need 99 respondents for this study.

In this study, the authors used Statistical Package for Social Science (SPSS) software to analyze the data. If the calculated r value for each positive question is greater than the r table value, then the question is considered valid [14]. SPSS was also used to process qualitative data obtained from interviews using open-mode questionnaires with informants. This data was used as support for a more detailed analysis. Toanalyze the descriptive data, we used Microsoft Excel. The method we used to explain the relationship between theindependent and dependent variables was the regression method.

# 4 Results and Discussion

#### 4.1 Respondent Characteristics.

In this study, the respondents are students of Nusa Putra University who will provide responses to a series of questions in the questionnaire. A total of 99 female students have been involved in filling out this questionnaire. They were selected based on several factors, such as gender, age, and major. The data results regarding the respondents among Nusa Putra University female students can be found in the table below.

No	Characteristics	Respondents	Frequ ency	Percentage (%)
1	Gender	P	99	100.00%
1	Total		99	100.00%
		20	5	5.05%
		21	23	23.23%
2	Age	22	39	39.39%
2		23	27	27.27%
		24	5	5.05%
	Total		99	100.00%
	Major	Accounting	8	8.08%
		DKV	7	7.07%
		Law	4	4.04%
		Management	42	42.42%
		PGSD	14	14.14%
3		Information Systems	9	9.09%
		Electrical Engineering	2	2.02%
		InformaticsEngi- neering	10	10.10%
		Civil Engineering		3.03%
	Total		99	100.00%

Table 2. Characteristics of Respondents

Source: Primary data, processed (2023)

# 4.2 Validity and Reliability Test

The validity test was performed to assess the questionnaire's validity as a source of data. The validity test was conducted with the aid of the SPSS 26 software using the bivariate person correlation model. The questionnaire's question items are deemed legitimate in the validity test if the value of r count> rtable has a significance value of 5%. On the other hand, the item is regarded as invalid if the significance value of the r count r table is less than 5%. A summary of the findings from the validity test is provided in the following table.

R tabel 5% (99) No Item R hitung **Description** 1 0,399 0,202 Valid 2 0,629 0,202 Valid 3 0.432 0.202 Valid 0,523 0,202 Valid

**Table 3.** Promotion Validity Test Results (X1)

5	0,482	0,202	Valid
6	0,451	0,202	Valid
7	0,662	0,202	Valid
8	0,537	0,202	Valid
9	0,524	0,202	Valid

**Table 4.** Price Validity Test Results (X2)

No Item	R hitung	R tabel 5% (99)	Description
1	0,268	0,202	Valid
2	0,591	0,202	Valid
3	0,390	0,202	Valid
4	0,451	0,202	Valid
5	0,729	0,202	Valid
6	0,763	0,202	Valid
7	0,649	0,202	Valid
8	0,490	0,202	Valid

**Table 5.** Purchasing Decision Validity Test Results (Y)

No Item	R hitung	R tabel 5% (99)	Description
1	0,466	0,202	Valid
2	0,563	0,202	Valid
3	0,643	0,202	Valid
4	0,448	0,202	Valid
5	0,483	0,202	Valid
6	0,559	0,202	Valid
7	0,508	0,202	Valid
8	0,637	0,202	Valid
9	0,619	0,202	Valid
10	0,637	0,202	Valid

The results of the validity test calculations, which are displayed in the tables above, show that all rount> rtable values are significant at 5%. Thus, it can be said that all question items in this research questionnaire can be used as research instruments because they are all valid.

# 4.3 Reliability Test

The reliability test was carried out to determine the dependence of the research questionnaire, which would be used to collect information about the research variables. The alpha formula was used to conduct the reliability test. At a significance threshold of 0.05, the test was conducted. If the alpha value of the instrument exceeds rtabel (0.202), then theinstrument can be said to be reliable.

Variabe	Cronbach's Alpha Comparison			
R hitung		R tabel 5%	a= <b>60</b>	Description
Promotion (X1)	0,658	0,202	0,60	Reliabel
Price (X2)	0,666	0,202	0,60	Reliabel
Purchase Decision (Y)	Purchase 0,755		0,60	Reliabel

**Table 6.** Reliability Test

Based on the reliability calculation for variable X1, variable X2 has a value of 0.666, variable Y has a value of 0.755, and the count is 0.658. Then the rtable value is 0.202, with the number n=99 at the 95% confidence level. All questionnaire data items for variables X1, X2, and Y are considered reliable if rcount> rtable, X1 = 0.658> 0.666, and X2 = 0.755> 0.202, according to the reliability test standard. The calculation results for variable X1 (promotion) obtained a value of rcount = 0.689, variable X2 = 0.666, and variable Y = 0.755; when compared with the reliability coefficient value, the reliability value is in the range of 0.600–0.800, or in other words, the level of reliability for the questionnaire variables X1, X2, and Y is high.

# 4.4 Classical Assumption Test

The presence or absence of residual normality, multicolonierity, and heteroscedasticity in the regression model is tested using the classical assumption testing method.

#### **Normality Test**

Normality Probability Plot. The regression model is said to be normally distributed, in accordance with the opinion of Imam Ghozali (2011: 161), if the data plot (dots) describing the actual data follows the diagonal line. The residual points of the regression model depicted in the figure have a regular distribution of points because they are spread along the diagonal line, and the distribution itself follows the diagonal line.

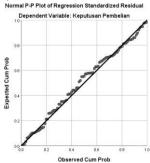


Fig. 2. P-Plot Normality

Kolmogorov Smirnov Normality Test

N	99	
Normal Parameters <sup>a,b</sup>	Mean	.0000000
Normai i arameters	Std. Deviation	2.60563360
Most Extreme	Absolute	.075
Differences	Positive	.045
Differences	Negative	075
Test Statisti	.075	
Asymp. Sig. (2-t	.188c	

 Table 7. Kolmogorov Smirnov Normality Test

Based on the results of the normality test, it is known that the significance value is 0.188> 0.05, so it can be concluded that the residual value is normally distributed.

Model	Collinearity Statistics			
	Tolerance	VIF		
Promotion (X <sub>1</sub> )	0,630	1,588		
Price (X <sub>2</sub> )	0.630	1 588		

Table 8. Multicollinearity Test Results

With reference to the aforementioned data, it can be shown that the regression model does not exhibit any multicollinearity since each variable's tolerance value is morethan 0.1 and its VIF value is less than 10. Given that the classical assumptions underlying the proposed regression model do not indicate the presence of multicollinearity symptoms, the model can be continued for further research.

Heteroscedasticity Test. If the sig value of 2-tailed is > 0.05, then the conclusion does not contain symptoms of heteroscedasticity, and vice versa if the sig value of 2-tailed is 0.05, then the conclusion contains symptoms of heteroscedasticity

Spearman rho	Variabel	Sig. (2-tailed)
	Promotion (X1)	0,052
	Price (X2)	0,282

Table 9. Spearmen Rho Heteroscedasticity Test Results

The Sig value is calculated using the output and results of the Spearman rho heteroscedasticity test mentioned above. Promotion variable (X1) with two tails = 0.052 > 0.05 and Sigvalue Price variable (X2) (2-tailed) = 0.282 > 0.05. Because the significance value obtained is greater than 0.05 (95% confidence level), it can be concluded that there are no symptoms of heteroscedasticity.

# 4.5 Multiple Linear Regression Analysis

U	Jnstandardiz	ed Co	efficients	Standardized Coefficients						
			Std.							
	Model	В	Error	Beta	t	Sig.				
1	(Constant)	.786	3.483		.226	.822				
	Promotion	.616	.107	.469	5.760	.000				
	Price	.516	.107	.392	4.813	.000				

Table 10. Multiple Linear Regression Analysis

The following are some explanations of the results of themultiple regression equation analysis in the table above: Y = 0.786 + 0.616 X1 + 0.516 X2 This shows that the purchase choice is positive, or 0.786, if the value of promotion and price is 0. The promotion variable (X1) has a positive regression coefficient of 0.616 on purchasing decisions (Y). This showsthat the higher the promotion, the higher the likelihood of someone making a purchase. Promotion can increase inspiration and trigger consumer enthusiasm for purchasing Makeover products.

A positive value is generated by the price variable's regression coefficient of 0.516 (X2) on purchasing decisions(Y). This implies that when prices become more affordable and competitive, more people will make purchases. The compatibility of price and product quality can also influencepurchasing choices and increase client pleasure. Students at Nusa Putra University will be more likely to purchase Make-Over products as a result of increased advertising and price.

# 4.6 Partial Test (T-Tes)

results of hypothesis testing with statistical tests (t-test) are as follows:

Free Variable	T hitung	>or <	T tabel	Significance	Description
Promotion (X <sub>1</sub> )	5.760	^	1,985	0,000	Influential & Sig- nificant
Price (X <sub>2</sub> )	4.813	>	1,985	0,000	Influential & Sig- nificant

Table 11. Partial Test Results (T-test)

According to the results in the above table, promotions have a favorable and considerable impact on employee performance. Given that promotion toount is 5.760> ttable 1.985, H0 is rejected or Ha is accepted, and a significance value of 0.000 0.05, it can be said that partly marketed itemshave a positive and significant impact on purchase

choices. The findings of this study are supported by Maryam Batubara's research, which has a sig. value of 0.00 0.05 and at-count> t-table value of 2.787> 1.984. These findings show that promotions have an impact on buying choices (Y) [15].

Given that the price has a t value of 4.813>t table 1.985 and a significance value of 0.000 0.05 in the table above, H0is rejected or Ha is accepted, indicating that the price has a considerable and partly positive impact on purchases. The study' findings are in line with those of Mada Faisal Akbar's work, which determines a t value of -2.297> t table -1.984 with a significant 0.024 0.05 and a path coefficient value of -0.225. These findings suggest that the cost influences consumers' purchase decisions (Y) [16].

# 4.7 Simultaneous Significance Test (F-test)

The results of hypothesis testing using the F statistical test(F-test) can be seen in the following table:

		Sum of		Mean		
	Model	Squares	df	Square	F	Sig.
1	Regression	991.373	2	495.687	71.520	.000b
	Residual	665.354	96	6.931		
	Total	1656.727	98			

Table 12. Simultaneous Significance Test Results (F-test)

Based on the results of the ANOVA test or F-test in the table, the Fcount is 71.520, the Ftable is 3.09, and the significance level is 0.000. Because the regression model can predict purchasing decisions (Y) at a significant level of 0.0000.05, or because it can be concluded that the promotion variables (X1) and (X2) together have a real effect on variable Y, the decision taken is to reject H0 and accept Ha.

#### 4.8 Coefficient of Determination

Table 13. test Results of the Coefficient of Determination

		R	Adjusted R	Std. Error of the
Model	R	Square	Square	Estimate
1	.774a	.598	.590	2.63264

According to the output above, the R square value is 0.598, which means that the variables (X1) and price (X2) combined affect 59.8% of the purchase decision variable (Y), while other factors other than those taken into account in this research are responsible for another 40% of the effect.

# 5 Conclusion

Based on the results of the above analysis, there are several conclusions, including:

- 1. The results of multiple linear regression analysis show that the promotion (X1) and price (X2) variables have a positive and significant influence on the purchasing decisions (Y) of female students at Nusa Putra University. This means that the higher the level of promotion and the more affordable the product price, the more likely it is that students will purchase Makeover products.
- 2. The t-test shows that both the promotion (X1) and price (X2) variables have a positive and significant effect on purchasing decisions. This supports the hypothesis that promotion and price play an important role in influencing student purchasing decisions.
- 3. The F test shows that together, the promotion (X1) and price (X2) variables have a significant influence on purchasing decisions. Therefore, the regression model can be used to significantly predict purchasing decisions.
- 4. The analysis results show that about 59.8% of the variation in purchasing decisions (Y) can be explained by the promotion (X1) and price (X2) variables together, while the rest is influenced by other factors not included in this study.

Thus, it can be concluded that promotion and price play a significant role in influencing the purchasing decisions of female students at Nusa Putra University. This can be the basis for makeover companies to develop more effective marketing strategies for attracting students as potential customers.

To improve purchasing decisions and strengthen competitiveness in the market, companies should focus moreon developing promotional strategies that are not only effective but also relevant to buyers' preferences and behaviors. This includes deeply understanding their target audience, using appropriate promotional platforms, and delivering persuasive messages. In addition, it is important for companies to assess and optimize pricing strategies. In a competitive environment, competitive pricing can be a deciding factor in a customer's purchase decision. Therefore, companies need to constantly monitor competitors' prices andensure that they offer appropriate value for their products or services.

In addition, to delve deeper into the factors that influencestudents' purchasing decisions, future research can consider other variables such as product quality, brand image, social preferences, and peer influence. Thus, we can betterunderstand how these factors interact and contribute to complex purchasing decisions among college students

#### References

- [1] Lina, "Indonesia Pasar Potensial Produk Kosmetik," Pelakubisnis.com. https://pelakubisnis.com/2020/02/indonesia-pasar- potensial-produk-kosmetik/, 2020.
- [2] M. N. Syamsiyah and I. K. Sari, "Brand Kosmetik Lokal yang Sukses Mencuri Perhatiandi 2020," Kumparan.com https://kumparan.com/intan-kemala, 2020.
- [3] N. Lubis and R. Hidayat, "Pengaruh promosi dan harga terhadap keputusan konsumen memilih jasa pengiriman," MBR (Management and Business Review), vol. 5, no. 1, pp. 29–39, 2021.
- [4] D. Honggoriansyah, P. Karo Karo, and M. Permatasari, "Pengaruh promosi dan harga terhadap keputusan pembelian pada hotel berbintang tiga di kota palembang," Jurnal Kepariwisataan Dan Hospitalitas, vol. 4, no. 2, p. 82, 2020.
- [5] D. D. Yusda, "Pengaruh Promosi Dan Harga Terhadap Keputusan Pembelian Pada House of Shopaholic Di Bandar Lampung," TECHNOBIZ: International

- Journal of Business, vol. 2, no. 2, pp. 59–63, 2019.
- [6] A. Nur and A. P. Arnu, "Pengaruh promosi dan harga terhadap proses keputusan pembelian konsumen," in Forum Ekonomi, 2021, pp. 383–390.
- [7] Fifin Anggraini dan Anindhyta Budiarti, "PENGARUH HARGA, PROMOSI, DAN KUALITAS PELAYANAN TERHADAP LOYALITAS PELANGGAN DIMEDIASI KEPUASAN PELANGGAN PADA KONSUMEN GOJEK," vol. 8, no. 3, pp. 86–94, 2020.
- [8] H. A. Buchary and D. Saladin, "Manajemen pemasaran (Ringkasan praktis, teori, aplikasi & tanya jawab)," Bandung: Lindakarya, 2013.
- [9] P. Kotler and K. L. Keller, A Frameworkfor Marketing Management In Marketing Management. 2016.
- [10] P. Kotler and G. Armstrong, Principles of Marketing. United Kingdom: Pearson., 2018.
- [11] B. Alma, "Manajemen Pemasaran dan Pemasaran Jasa (edisi ke-9)," Alfabeta, Bandung, 2011.
- [12] F. Tjiptono, Service, Quality & satisfaction. Andi, 2016.
- [13] N. J. Setiadi, "Perilaku Konsumen (Revisi)," Jakarta: Kencana Prenada Media Group, 2013.
- [14] D. Sunyoto, "Analisis regresi dan uji hipotesis," Yogyakarta: Caps, 2011.
- [15] S. A. Sani, M. Batubara, P. R. Silalahi, R. R. Syahputri, and V. Liana, "Pengaruh Promosi, Kualitas Produk dan Harga terhadap Keputusan Pembelian Konsumen pada Produk Scarlett Whitening," Al-Kharaj: Jurnal Ekonomi, Keuangan & Bisnis Syariah, vol. 4, no. 5, pp. 1327–1342, Feb. 2022, doi: 10.47467/alkharaj.v4i5.931.
- [16] Mada Faisal Akbar and Ugeng Budi Haryoko, "PENGARUH PROMOSI DAN HARGA TERHADAP KEPUTUSAN PEMBELIAN DAN DAMPAKNYA TERHADAP KEPUASAN PELANGGAN PADA ALFAMART CABANG CIKOKOL TANGERANG," Jurnal Ekonomi Efektif, vol. 2, no. 2, pp. 280–286, 2020.

**Open Access** This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (http://creativecommons.org/licenses/by-nc/4.0/), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

