# The Effect of Discounts and Free Shipping on Shopee Marketplace Purchase Decisions with Advertising as Intervening Variable 

Nurainun ${ }^{1}$, Abd. Rasyid Syamsuri ${ }^{2}$<br>${ }^{1,2}$ Faculty of Economics, Universitas Muslim Nusantara Al-Washliyah, Indonesia<br>nurainun@umnaw.ac.id, abd.rasyidsyamsuri@umnaw.ac.id


#### Abstract

This study intends to examine the impact of free shipping and discounts on consumer purchasing decisions on the Shopee marketplace with advertising as an intervening variable. The Triviona Residential Community in Dusun VI Marindal II, North Sumatra, Indonesia, serves as the study's sample. Probability sampling using a straightforward random procedure and a sample size of 213 participants was the sampling technique employed in this investigation. SEM (Structural Equation Model) is used in this data analysis technique. The study's findings demonstrate that offering free shipping has a positive and significant impact on advertising. While the discount has a negative and insignificant impact on advertising. Free shipping has a negative and insignificant effect on buying choices. Subsequent research has demonstrated that discounts have a positive and significant impact on purchase choices. Purchase decisions are positively and significantly impacted by advertising. Then, through advertising, free delivery has a positive and significant impact on purchasing decisions. Discounts have a negative and insignificant impact on consumer decisions made as a result of advertising.


## Keywords

free shipping; discount; advertising; purchase decision

## I. Introduction

E-commerce has impacted both small and large businesses in Indonesia. Small-scale e-commerce operations are currently prevalent throughout Indonesia due to the availability of numerous venues for quick online transactions. The marketplace is the apex of ecommerce; marketplaces typically have their own systems that can manage thousands or even millions of products for sale or purchase. Online transactions can be carried out through sites like Amazon, Alibaba, eBay, and other e-commerce platforms. Indonesia started using e-commerce firms to follow the development and adjustments in the global trade landscape so as not to fall behind. Platforms in Indonesia include Shopee, Tokopedia, Bukalapak, among others. Shopee launched in Singapore in 2015 and expanded to Indonesia the following year. It can be argued that Shopee is a successful corporation, especially in Indonesia, as it is the most well-liked platform among Indonesians.

Online marketplace Shopee has undergone changes in order to draw in more customers and entice them to engage with the website. Shopee is mainly concentrated on the mobile platform so that users may buy and sell things straight from a smartphone. transactions on Shope for purchasing and selling a variety of commodities, including sporting goods, photographic equipment, technology, clothes, vitamins, food, and beverages. Customers can instantly shop online using Shopee's mobile application without using a computer. Vendors may sell products on Shopee with ease, and customers can pay
with confidence. Due of its more interactive features and regularly changing themes, Shopee has also gained popularity among consumers as their preferred e-commerce site.

Shopee's merchants are divided into three categories: regular vendors, often known as non-star sellers, star sellers, and shopee malls. Regular seller is a status that Shopee uses to invite new vendors to sign up. Sellers who achieve the requirements are given the star seller designation. This star seller program is only available to a restricted group of sellers, such as those who provide helpful and responsive customer service. The highest level seller now on Shopee is Shopee Mall. Selected sellers will also receive an invitation from Shopee to join a program called Star Seller. Creating an intellectual property rights certificate in the form of a brand certificate or trademark will grant you this status.

According to the researcher, shoppers select Shopee because they believe the prices to be lower than those of its rivals. The appropriate price, according to Dirwan et al., (2022), is the primary factor that helps businesses entice consumers to make purchases and has an effect on growing the quantity of goods sold. According to research by Gunarsih et al. (2021), pricing has an impact on customers' purchasing choices since it enables sellers to benefit from the goods that consumers buy.

Anggiani (2018), claims that the Consumer-to-Consumer (C2C) and Business-toConsumer (B2C) business models are used by the Shope e-commerce platform. A system of communication and business dealings between two customers to satisfy specific requirements at a certain moment is referred to as C 2 C . To be able to respond to specific demands at a specific time, B2C is a business communication channel between business people and consumers. As a result, there may be fierce competition in this modern business, making it necessary for salespeople to have expertise and abilities to attract potential consumers. Iprice.co.id lists Tokopedia as the top marketplace in Indonesia for 2019, followed by Shope in second place and Bukalapak, Lazada, and Blibli in third, fourth, and fifth position, respectively. The rankings are based on the volume of visits, the market's distinctive usage of the live chat feature, and the C2C (Consumer to Consumer) system. Tokopedia, Lazada, and Blibi continue to operate under the B2C (Business to Consumer) model. In this market, C2C (Consumer to Consumer) serves as an escrow or third party account to guarantee transaction security. When the client receives the desired items, sales will be instantly paid; however, if the transaction is unsuccessful, funds will still be returned to the customer even if the customer has not yet received the ordered goods. To make this marketplace feel more secure and practical, it can be noted that the Shopee mobile application offers integrated delivery, cutting-edge features, secure payment options, and a vast selection of products.

Researchers conducted a preliminary survey to identify phenomena relevant to the study's subject and object in the Triviona Housing Community in Dusun VI Marindal II, North Sumatra, Indonesia. The study survey's findings demonstrate that shopee marketplace commercials are less acceptable due to persistent ads that have little impact on consumers' purchase decisions. According to other respondents, frequent advertising merely provide information that is previously known, which deters viewers from tuning in for more. Free shipping has become a defining feature of internet commerce during the past ten years. In actuality, there have been numerous platforms for online sales for more over 5 years already, like Takopedia, Shopee, Lazada, Buka, and others. Additionally, a significant amount of money was spent on the free shipping program. Free delivery is frequently used in studies as an incentive to encourage online shopping. The free shipping offer is an online shopping buzzword, as demonstrated by real-world data. This scenario conveys the notion that spoiling customers is the new way to shop.

## II. Review of Literature

### 2.1 Free Shipping

According to Amalia and Wibowo (2019), the free shipping campaign is a different type of sales promotion that employs a variety of incentives to encourage quick product purchases and raise the caliber of the goods consumers buy. Because of the shipping fees they must pay for their online purchases to reach their homes, the majority of consumers frequently hesitate to shop online. Customers find it challenging to pay delivery expenses, which occasionally can exceed the cost of the things they purchase. With the help of a free shipping promotion, you may encourage customers to make purchases by offering them free delivery. This way, customers will choose what to buy. According to Maulana and Asra (2019) research free shipping promotions have a positive and significant impact on Generation Z's e-commerce purchase decisions in rural areas. The indicators, in accordance with Sari (2019), are: 1) Free shipping pays attention; and 2) Free shipping has appeal. 3) Free shipping encourages purchasing, 4) Free shipment increases the impulse to buy, 5) Free shipping encourages repeat business.

### 2.2 Discount

According to Kotler and Keller (2012), a discount is a price decrease offered to customers who make prompt payment of their invoices. A discount is a discount if the payment is made sooner than the credit period, according to Wahyudi (2017). Discount prices, according to Ginting (2019), are a pricing strategy that entails a long-term plan to gradually cut prices following the introduction of expensive products. Price reductions, according to Andriani (2018), have a favorable and considerable impact on online business transactions.

Marketing is a process of planning and execution, starting from the conception stage, pricing, promotion, to the distribution of goods, ideas and services, to make exchanges that satisfy the individual and his institutions (Dianto in Asmuni et al, 2020). According to Novirsari (2019), one of the main incentives for consumers to buy things is a discount. Discounts, then, are one of the marketing strategies that have been shown to have an impact on consumer purchasing behavior both conceptually and practically. Discount prices have a favorable and considerable impact on buying blibli.com, according to this research, which is in line with Rahayu and Yosepha (2021). Rosmaniar, et al. (2020) assert that discounts have a favorable and negligible impact on online purchases despite the fact that the outcomes vary. Chao and Liao (2016) list the following as discount indicators: 1) Discounts draw attention; 2) Discounts pique consumers' interest; and 3) Offer competitive pricing, 4) Offer consumers benefits, 5) The quantity of price reductions.

### 2.3 Advertising

Advertising is any type of non-personal presentation and promotion of ideas, commodities or services by a particular sponsor that needs payment (Kotler and Armstong, 2012). Advertising includes a range of actions made by businesses to promote the advantages of their goods and persuade potential customers to purchase them (Kotler and Armstong, 2017). Advertising influences online purchase decisions favorably, according to studies by (Ilaisyah and Sulistyowati (2020); Isyanahapsari and Nurseto (2018)). The following are examples of advertising indicators: 1) providing information; 2) convincing; 3) reminding; and 4) having attractiveness, 5) Fostering a desire.

### 2.4 Purchase Decision

The decision here refers to choice, whereas the purchase is the act of purchasing. When combined, the word purchase decision denotes self-steadiness in buying something (product or service) based on past considerations. This makes it clear that before making a purchase, a consumer will gather the necessary data, such as the product's quality, price, advantages, and so on. If the information is thought to be adequate, it will result in stability to buy. This suggests that numerous factors, including discounts, services, and free shipping, impact purchasing decisions rather than occurring on their own (Farhat, 2020). The following are the factors that influence buying decisions: 1) Needs-conformity, 2) Product benefits, 3) Product choice, 4) Brand-related interest, 5) Price appropriateness.

### 2.5 Hypothesis Development

a. The Impact of Free Shipping Fees on Shopee Marketplace Advertising

According to Amalia and Wibowo (2019), the free shipping campaign is a different type of sales promotion that employs a variety of incentives to encourage quick product purchases and raise the caliber of the goods consumers buy. With the help of a free shipping promotion, you may encourage customers to make purchases by offering them free delivery. This way, customers will choose what to buy. According to the idea presented, the following is the research's core premise: H1: The Shopee marketplace's free shipping has an impact on advertising

## b. The Impact of Discounts on Shopee Marketplace Advertising

A discount, according to Kotler and Keller (2012) is a price decrease offered to customers who make prompt payment of their invoices. According to Wahyudi (2017), a discount is still a discount even if the payment is made sooner than the credit period. According to Ginting (2019), discount pricing is a pricing strategy that incorporates a long-term plan to gradually cut costs after introducing expensive products. Novirsari (2019), states that one of the main incentives for consumers to buy things is a bargain. Discounts are thus one of the marketing strategies that have been shown to have an impact on customer purchasing behavior both conceptually and experimentally. According to the presented idea, it demonstrates that H2: Shopee marketplace discounts have an impact on advertising.

## c. The Impact of Free Shopee Marketplace Postage on Purchase Decisions

According to Amalia and Wibowo (2019), the free shipping campaign is a different type of sales promotion that employs a variety of incentives to encourage quick product purchases and raise the caliber of the goods consumers buy. With the help of a free shipping promotion, you may encourage customers to make purchases by offering them free delivery. This way, customers will choose what to buy. According to Maulana and Asra (2019), the free shipping promotion has a positive and significant impact on Generation Z's e-commerce purchase decisions in rural areas. According to the idea presented, it demonstrates that H3: Shopee's free delivery policy has an impact on consumers' purchase decisions.

## d. The Impact of Discounts on Shopee Marketplace Purchase Decisions

Ginting (2019), defines discount pricing as a pricing strategy that entails a long-term strategy to gradually cut prices following the introduction of a high-priced product. According to Andriani (2018), price reductions have a favorable and considerable impact on online business transactions. One of the main motivators for consumers to buy things,
according to Novirsari (2019), is a discount. The theory presented demonstrates that H4: Shopee marketplace discounts influence purchasing decisions.

## e. The Impact of Free Shopee Marketplace Postage on Purchase Decisions mediate by Advertising

According to Amalia and Wibowo (2019), the free shipping campaign is a different type of sales promotion that makes use of numerous incentives to encourage quick product purchases and raise the caliber of goods consumers buy. According to the argument presented, it demonstrates that H5: Shopee's free delivery policy has an impact on consumer decisions that are influenced by advertising.

## f. The Impact of Shopee Marketplace Discounts on Purchase Decisions mediate by Advertising

A discount exists if the payment is made early than the loan period, according to Wahyudi (2017). Discount pricing is a pricing strategy that, according to Ginting (2019), entails a long-term plan to gradually cut prices after introducing high-priced products. Discounts are one of the main motivators for consumers to buy things, as Novirsari (2019), points out. The idea presented demonstrates that H6: Shopee marketplace discounts influence buying decisions through advertising.

## g. The Impact of Shopee Marketplace Advertising on Purchase Decisions

Advertising is any non-personal presentation and payment-based promotion of concepts, products, or services by a specific sponsor (Kotler and Armstong, 2012). Advertising includes a range of actions used by businesses to promote the advantages of their goods and persuade potential customers to purchase them (Kotler and Amstrong, 2017). Advertising influences online purchase decisions favorably, according to studies by Ilaisyah and Sulistyowati (2020); Isyanahapsari and Nurseto (2018). The idea presented demonstrates that H7: Shopee marketplace advertisements have an impact on purchasing decisions. The conceptual framework of this study can be found in Figure 1, which was derived from the search for the formulation of research hypotheses.


Figure 1. Conceptual Framework

## III. Research Method

### 3.1 Research Design

This study use quantitative techniques to identify hypotheses, which are short-term solutions to the formulation of research questions. The use of research instruments for data collecting and quantitative/statistical data processing with the goal of testing prepared hypotheses are all characteristics of quantitative research methods, which are research techniques used to analyze specific populations or samples.

### 3.2 Techniques for Data Sampling, Collection, and Analysis

In this study, a questionnaire was used as a method of data collecting. The structure of the distributed questionnaires is in line with the research topic under investigation. The Triviona Residential Community in Dusun VI Marindal II, North Sumatra, Indonesia, serves as the study's population. Probability sampling using a straightforward random procedure and a sample size of 213 participants was the sampling technique employed in this investigation. SPSS (Statistical Product Software Solution) and the AMOS (Analysis of Moment Structure) program were used as data analysis tools in this study.

## IV. Results and Discussion

### 4.1 Validity Test

A questionnaire's validity is evaluated using a validity test. When the questions on a questionnaire are able to expose information that will be measured by the questionnaire, it is considered to be valid (Ghozali, 2018). With a significant criteria of $10 \%$ or 0.1 , questionnaires were distributed to 30 respondents who were not study participants in order to conduct the validity test. Results of the validity test can be loaded in Table 1:

Table 1. Results of Validity tests with Free Shipping

| No | Statement Item Indicator | Total <br> Correlation | Measurement <br> Value | Provision |
| :---: | :--- | :---: | :---: | :---: |
| 1 | Free shipping pays attention | , 902 | 0,5 | Valid |
| 2 | Free shipping has appeal | , 942 | 0,5 | Valid |
| 3 | Free shipping encourages <br> purchasing | , 950 | 0,5 | Valid |
| 4 | Free shipment increases the <br> impulse to buy | , 929 | 0,5 | Valid |
| 5 | Free shipping encourages <br> repeat business | , 864 | 0,5 | Valid |

Source: Research Results, (2022)
By contrasting the Corrected Item-Total Correlation value with the validity measurement value of 0,5 , the validity test is determined. It may be concluded that the measurement of the statement item indicator is valid because Table 1 shows the highest corrected item total correlation value on the question item indicator creating a desire to buy of 0.950 and the lowest value on the loyal customer question item indicator of 0.864 . Table 2 can be loaded with the findings of the validity test for Discounts.

Table 2. Results of the Discount validity test

| No | Statement Item Indicator | Total <br> Correlation | Measurement <br> Value | Provision |
| :---: | :--- | :---: | :---: | :---: |
| 1 | Discounts draw attention | , 901 | 0,10 | Valid |
| 2 | Discounts pique consumers' interest | , 901 | 0,10 | Valid |
| 3 | Offer competitive pricing | , 840 | 0,10 | Valid |
| 4 | Offer consumers benefits | , 822 | 0,10 | Valid |
| 5 | The quantity of price reductions. | , 850 | 0,10 | Valid |

Source: Research Results, (2022)
By contrasting the Corrected Item-Total Correlation value with the validity measurement value of 0.5 , the validity test is determined. It can be concluded that the measurement of the statement item indicator is valid given that Table 2 shows the highest corrected item total correlation value on the discount question item indicator giving attention and the discount generating a desire to buy by 0.901 and the lowest value on the question item indicator providing benefits for consumers by 0.822 . Results of Ads' Validity Tests can be loaded in Table 3:

Table 3. Results of the Validity test Advertisement

| No | Statement Item <br> Indicator | Total <br> Correlation | Measurement <br> Value | Provision |
| :---: | :--- | :---: | :---: | :---: |
| 1 | Providing information | , 724 | 0,10 | Valid |
| 2 | convincing | , 929 | 0,10 | Valid |
| 3 | reminding | , 529 | 0,10 | Valid |
| 4 | having attractiveness | , 904 | 0,10 | Valid |
| 5 | Fostering a desire. | , 896 | 0,10 | Valid |

Source: Research Results, (2022)
By contrasting the Corrected Item-Total Correlation value with the validity measurement value of 0.5 , the validity test is determined. It may be concluded that the measurement of the statement item indicator is valid because Table 3 shows the highest corrected item total correlation value on the persuasive question item indicator of 0.929 and the lowest value on the reminder question item indicator of 0.529 . Table 4 contains the findings of the validity test for purchase decisions.

Table 4. The findings of the Purchasing Decision's Validity test

| No | Statement Item Indicator | Total <br> Correlation | Measurement <br> Value | Provision |
| :---: | :--- | :---: | :---: | :---: |
| 1 | Needs-conformity | , 748 | 0,10 | Valid |
| 2 | Product benefits | , 536 | 0,10 | Valid |
| 3 | Product choice | , 503 | 0,10 | Valid |
| 4 | Brand-related interest | , 831 | 0,10 | Valid |
| 5 | Price appropriateness. | , 828 | 0,10 | Valid |

Source: Research Results, (2022)
By contrasting the Corrected Item-Total Correlation value with the validity measurement value of 0.5 , the validity test is determined. It can be concluded that the research instrument in the form of this questionnaire is valid given that Table 3 shows the
highest corrected item total correlation value on the question item indicator of interest in the brand to be 0.831 and the lowest value on the product selection question item indicator to be 0.503 .

### 4.2 Reliability Test

A way to assess a questionnaire's reliability is its ability to serve as an indication of a variable or concept. The pre-survey sample for this study's questionnaire consisted of 33 respondents in order to test the outcomes of reliability. If a respondent's response to a statement on a questionnaire is constant or stable throughout time, it is considered to be dependable (Ghozali, 2018). If a construct or variable yields a Cronbach alpha (CA) value more than 0.70 , it is said to be trustworthy. Table 5 contains the findings from this study's reliability test:

Table 5. Test Results for Reliability

| No | Variable | CA | Measurement Value | Provision |
| :---: | :--- | :---: | :---: | :---: |
| 1 | Free Shipping | , 971 | 0,7 | Reliable |
| 2 | Discount | , 949 | 0,7 | Reliable |
| 3 | Advertising | , 917 | 0,7 | Reliable |
| 4 | Purchase Decision | , 846 | 0,7 | Reliable |

Source: Research Results, (2022)
All study variables are included in the reliable category according to Table 5's reliability test with CA because $\mathrm{CA}>0.7$. According to the reliability test results, the measurement of variable items employed in this study satisfies the reliability test requirements and can be utilized as a measuring tool.

### 4.3 Structural Equation Model Analysis

The Amos software was used to test the data processing findings in this study utilizing SEM analysis techniques. Figure 2 contains the findings of the appropriateness test and statistical tests used to determine whether it is feasible to modify the Confirmatory Factor Analysis (CFA) model:


Figure 2. Results of the Full Model Test with Modifications

Table 6 provides a summary of the confirmatory factor analysis (CFA) model's feasibility test for this investigation:

Table 6. Results of Confirmatory Factor Analysis (CFA)

| Goodness of Fit Indices | Cut Off Value | Model Test Results | Information |
| :--- | :--- | :--- | :--- |
| Chi Square (df =213) | Expected Low * | 42,108 | Good Category |
| Probability | $\geq 0,10$ | , 004 | Inadequate Category |
| CMIN/DF | $\leq 2,00$ | 2,00 | Good Category |
| RMSEA | $\leq 0,08$ | , 069 | Good Category |
| PGFI | $\leq 1,0$ | , 576 | Good Category |
| AIC | Expected Low <br> (Close to 0) | 90,108 | Inadequate Category |
| CFI | $\geq 0,95$ | , 988 | Good Category |
| TLI | $\geq 0,95$ | , 980 | Good Category |

Source: Research Results, (2022)
Information (*): The value from the chi-square table, $\mathrm{df}=213, \alpha=0.10$. (239.842)
The results of the processing analysis show that all the constructs used to form a research model, in the confirmatory factor analysis process have met the criteria of goodness of fit that have been set. The probability value is $0.004>0.10$ which proves that there is no difference between the predicted covariance matrix and the estimated covariance matrix. Another goodness of fit measure also shows in good condition even though the probability has not reached the value of 0.10 . To get a good model, then the problem of deviation is tested against the SEM assumptions. The results of the SEM analysis with hypothesis testing are listed in Table 7:

Table 7. Regression Weights Structural Equation Model

|  | Estimate | S.E. | C.R. | P | Label |
| :--- | :--- | :--- | :--- | :--- | :--- |
| Free Shipping (X1) $\rightarrow$ Advertising (Z) | , 339 | , 177 | 1,915 | , 055 | par_8 |
| Discount (X2) $\rightarrow$ Advertising (Z) | ,- 010 | , 207 | ,- 050 | , 960 | par_9 |
| Free Shipping (X1) $\rightarrow$ Purchase decision <br> (Y) | ,- 202 | , 132 | $-1,522$ | , 128 | par_6 |
| Discount (X2) $\rightarrow$ Purchase decision (Y) | , 741 | , 156 | 4,752 | $* * *$ | par_7 |
| Purchase decision (Y) | , 532 | , 080 | 6,691 | $* * *$ | par_10 |

Source: Research Results, (2022)
Table 7 enables the following conclusion to be drawn: H1: Free delivery has a positive and significant impact on advertising. The free shipping variable (X1) on the advertising ( $Z$ ) has a C.R. Value of $1.915>1.285$ and a p-value of $0.055<0.10$. H2: The impact of discounts on advertising is negative and insignificant. The discount variable (X2) on the advertisement ( Z ) has a C.R. value of $(-0.050)<1.285$ and a p value of 0.960 > 0.10 . H3: Free delivery has a negative and insignificant impact on buying decisions. (1.522 ) < 1.285 and $p$ value $0.128>0.10$ are the C.R. values for the free shipping variable (X1) on purchasing decisions (Y). H4: Discounts have an impact on purchase decisions that is both positive and significant. The discount variable (X2) on purchase decisions (Y) has a C.R. value of $4.752>1.285$ and a $p$ value of $0.000<0.10$. H5: Advertising influences purchases in a positive and significant way. Advertising variable ( Z ) on
purchase decisions (Y) has a C.R. Value of $6.691>1.285$ and a p-value of $0.000<0.10$. Table 8 contains the analysis of the study's direct influence, indirect effect, and overall effect.

Table 8. Direct Effects, Indirect Effects dan Total Effects

| Direct Effects |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | Discount <br> $(\mathrm{X} 2)$ | Free Shipping <br> (X1) | Advertising <br> $(\mathrm{Z})$ | Purchase <br> Decision (Y) |  |
| Advertising (Z) | ,- 010 | , 339 | , 000 | , 000 |  |
| Purchase Decision (Y) | , 736 | 0,021 | , 532 | , 000 |  |
| Indirect Effect |  |  |  |  |  |
|  | Discount <br> $(\mathrm{X} 2)$ | Free Shipping <br> $(\mathrm{X} 1)$ | Advertising <br> $(\mathrm{Z})$ | Purchase <br> Decision (Y) |  |
| Advertising (Z) | , 000 | , 000 | , 000 | , 000 |  |
| Purchase Decision (Y) | ,- 006 | , 181 | , 000 | , 000 |  |
| Total Effects |  |  |  |  |  |
|  |  |  |  |  |  |
| Advertising (Z) | Discount | Free Shipping | Advertising | Purchase |  |
| (X2) | ,- 010 | , 339 | , 000 | Decision (Y) |  |

Source: Research Results, (2022)
Free delivery (X1) has a positive and insignificant influence on purchasing decisions (Y) according to a Direct Effects study of 0.021. Discounts (X2) significantly and positively influence purchase decisions (Y) with a value of 0.763 . Price reductions, according to Andriani (2018), have a positive and significant impact on online business transactions. Discounts are one of the main drivers behind consumer purchases, according to Novirsari (2019). A positive and significant value of 0.532 is associated with advertising ( Z ) on purchasing decisions ( Y ). Advertising influences online purchase decisions favorably, according to studies by Ilaisyah and Sulistyowati (2020); Isyanahapsari and Nurseto (2018).

According to Maulana and Asra (2019), free shipping promotions may have a positive and significant impact on Generation Z's e-commerce purchasing decisions in rural areas. The analysis of indirect effects results show that H6: free shipping (X1) on purchasing decisions $(\mathrm{Y})$ through advertising has a positive and significant effect of 0.181 . Results from the subsequent analysis reveal that H7: Discounts (X2) on purchasing decisions ( Y ) through advertising have a negative and insignificant effect of ( -0.006 ). Discounts have no discernible influence on consumers' purchase decisions, as demonstrated by Putra et al., (2016).

Study of the combined direct effects is the result of adding analysis of the direct and indirect effects.The free shipping variable (X1) has a negative and insignificant influence on purchase decisions $(\mathrm{Y})$ of $(-0,202)$, as can be seen in the Direct Effects, Indirect Effects, and Total Direct. According to Novirsari (2019), discounts are one of the primary motivators for customers to make purchases and have a positive and significant impact on those decisions $(\mathrm{Y})$ of 0.741 . Advertising $(\mathrm{Z})$ has a 0.532 positive and significant impact on consumer choice (Y). Advertising influences online purchase decisions favorably, according to studies by Ilaisyah and Sulistyowati (2020); Isyanahapsari and Nurseto (2018).

## V. Conclusion

The study's findings lead to the following inferences: 1) Free shipping has a positive and significant impact on advertising; 2) Discounts have a negative and insignificant impact on advertising; 3) Free shipping has a positive and significant impact on purchasing decisions; 4) Discounts have a positive and significant impact on buying decisions, 5) Advertising has a positive and significant impact on buying decisions, 6) Free delivery has a positive and large impact on purchasing decisions via advertising, and 7) Through advertising tested in the triviona housing complex, Dusun VI Marindal II, North Sumatra, Indonesia, discounts had a negative and insignificant impact on purchasing decisions

## Suggestions

Researchers offer suggestions in relation to this research, namely: Information regarding discounts displayed by Shopee through advertisements must provide more up-todate information so that discounts held by Shopee can draw in additional consumers. All current social media channels, excluding television, transmit advertising material. By giving them the most up-to-date and intriguing discount information, you may pique their interest in making purchases.

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