THE INFLUENCE OF USER GENERATED CONTENT CONSUMER PURCHASE INTEREST WITH DISCOUNTS AS A MODERATING VARIABLE

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Abstract

Reviews from TikTok users can increase market share, increase consumer trust, and ultimately increase consumer purchasing decisions. This research is quantitative research with an exploratory approach. This research collected data by distributing it to 300 TikTok users consisting of 150 consumers and 150 producers, each of whom had carried out the activity at least once. Thus it can be concluded that the data used is primary data. The data used above was analyzed with smart PLS 4.0. The research results show that First,The User Generated Content variable has a positive relationship and a significant influence on the Purchase Interest variable because the more reviews from TikTok users, the greater the seller's market share and the more consumers know about the product. If the product gets good reviews, consumer purchasing decisions will increase. Second, The Discount variable is able to moderate the positive relationship and significant influence of the User Generated Content variable on the Purchase Interest variable, the results are even more significant because good reviews, a large market share and high trust will convince consumers even more if accompanied by a bigger discount. bigger than competitors.

Keywords: User Generated Content, Discount, Problem, Consumer Pruchase Interest

1. INTRODUCTION

The development of the times, followed by technological sophistication, has made people change their standards and lifestyle patterns. People want convenience in various aspects of life, including meeting their daily needs. In this digital era, people are switching from conventional shopping models to online shopping models (eshopping). Assuming that the online shopping model provides many conveniences and benefits. From the convenience offered to carry out buying and selling transactions online. For sellers, the most expected thing is that consumer buying interest in their products increases day by day. There are several things that can influence consumer buying interest, including User Generated Content. User generated content is a form of content marketing in the current era. According to Right Mix Marketing, currently many businesses rely on content from users as their marketing strategy. Reporting from Hootsuite, user generated content is various forms of content, including writing, videos, photos, reviews, and others, created by someone such as consumers, customers, or even

followers. Later, the brand will re-upload the content created by these people on its social media (Jessica, 2023).

In 1665 the Journal des Scavans and Philosophical Transactions of the Royal Society published Letters of Discoveries to disseminate information about research discoveries. It was used as one of the first examples of user-generated content (UGC) (Lobato, 2012). As stated by Lobato et al. In 2012 in his study of temporal and technical UGC he included factors that can determine whether a field is informal or formal such as the formation of professional media or public institutions. The UGC owner provides the rules and references. The Interactive Advertising Bureau (2008) focuses on early forms of UGC on the Internet specifically digital platforms such as Usenet and Prodigy that facilitated discussion and commenting among members and users. This evolution has ranged from blog comments and wikis to UGC and social advertising networks (IAB, 2008).

From previous research, it was found that several definitions of UGC were developed by experts. Quoting from research by Malthouse et al. (2016) entitled "Evidence that User Generated Content that Produces Engagement Increases Purchase Behavior" that there are various definitions of UGC that can be classified: (1) Role shifting; (2) Characteristics; and (2) Consumers' Online Brand Related Activities. The first classification is that researchers focus on the movement from computer generated content to user generated content, for example Daugherty et al. (2008) and the Interactive Advertising Bureau reveal that UGC or what can also be called Consumer-Generated Media (CGM) is content produced by the public and not from professionals that is distributed on the Internet, even if it is only in the form of comments. So in this case UGC in technological developments can be defined as content contained in a broad context, the internet, in a narrow context, social media, which is produced by users who are not professional communications or media institutions (IAB, 2008).

The second type of definition is based on the characteristics stated in Journal of the Participatory Web: User-Generated Content (Organization for Economic Co-operation and Development). UGC has three characteristics: (1) Email or email and instant messages between two people are not recorded because they are uploaded and publicly accessible. (2) creatively integrate value from users or uploaders so that the UGC does not involve reuploading other peoples content or professional content; This can be done in the form of cooperation. (3) Prestige or popular forms of expression are more important in goals and motivations than in professional or business fields. The third factor is the online activity related to the consumers brand or the so-called COBRA identified by Muntinga et al. (2011) developed. According to Muntinga et al the level of listening and participation by viewing content discussions about your brand. Activities. (2) Contributions: Mid-level user activities in the form of contributions such as posting comments on brand-related forums or social media. (3) Creation: At this level users actively create content related to brand activities on a creative level: write comments and upload videos about your brand to blogs and social media. In this case the functionality of UGC starts at the post and creation level(Muntinga, 2011).

There are a number of studies that (Ariasih & Putra, 2022); (Rahma, 2021) & (Geraldi, 2016) which shows that the User Generated Content variable has a positive relationship and has a significant influence on the Consumer Purchase Interest variable. Different from previous studies, this research adds the Discount variable as a moderating variable. (Tjiptono, 2008) considers that a discount is a discount given by a seller to a buyer as appreciation for some purchasing activity enjoyed by the seller. (Gitosudarmo, 2000) states that a discount is a price

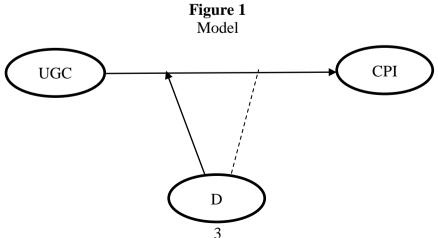
that is lower than the price paid depending on several factors such as the level of previous payment periods and the number of purchases and purchases in a particular season. Masu. (Kotler, 2017)define a discount as a direct price reduction for purchases within a specified period of time.

According to (Alghifari, 2021) sellers offer discounts to customers to recognize customer behavior that satisfies both parties. According to (Sulistiono et al., 2022) a discount is the actual price offered to customers to increase sales of a product or service. According to (Putra et al., 2016) a discount is a reduction in the price of a product to increase sales within a certain period of time. According to (Ardhya, 2019) rebates can be considered as discounts given to consumers in return for purchases made by buyers: Example: paying bills quickly purchasing large quantities on demand or during peak hours etc. .

A discount is attractive where the actual price of the discount is lower than usual. This means that the price may be discounted depending on the quantity of the product purchased. According to (Philip, 2013) the criteria for dismissal are (1); Adipisicing are price reductions for shoppers who pay their bills promptly (2). A volume discount is a discount offered to customers for large purchases. (3). A functional discount is a discount that manufacturers offer to marketing members when they perform certain functions such as sales or inventory. (4). A seasonal discount is a discount for off-season purchases. (5). Additional payment discounts are intended to inform retailers of participation in special events. Therefore, this research aims to analyze the influence of the User Generated Content variable on consumer buying interest with discounts as a moderating variable in the Tiktok shop application.

2. RESEARCH METHOD

Reviews from other TikTok users/tiktokers can make the range of products we market bigger and ultimately increase consumers' interest in making purchases(Manzilati, 2017). Therefore, this research aims to analyze User Generated Content on Consumer Purchase Interest with Discounts as a moderating variable. This research is quantitative research with an explanatory approach(Sugiyono, 2019). Data distribution and data collection use the questionnaire method and are referred to as primary data which we obtain directly from the main actors (Jonathan Sarwono, 2016). The questionnaire in this research consists of 20 question items which have the form of agree, strongly agree, disagree, strongly disagree, and normal/average. The 20-item questionnaire consists of 8 question items for the User Generated Content variable, 6 question items for the Consumer Purchase Interest variable, and 6 items for the Discount variable (Abdurahman, 2016). These data were analyzed using smart PLS 4.0 with the following model:



Noted:

UGC: User Generated Content CPI: Consumer Purchase Interest

D: Discount **Hypothesis:**

1. The Influence of User Generated Content on Purchase Interest

2. Discount Can Moderates The Influence of User Generated Content on Consumer Purchase Interest

3. RESULTS AND DISCUSSION

3.1 Result

Validity Test

The question items in this research were distributed to 300 users of the Tiktok shop application, divided into 150 users who had shopped at least once at Tiktok shop and the remaining 150 were sellers. The 20 question items in this research consist of 8 question items for the User Generated Content variable, 6 question items for the Purchase Interest variable, and 6 question items for the Price Discount variable. Each question item must pass a minimum loading factor value of 0.70 with the following results (Ghozali, 2016):

Table 1Validity Test

Variable	Question Item	Loading Factor	
	The better the reviews from TikTokers, the more potential the producer's merchandise will sell	0.809	
User Generated Content (X1)	User generated content can influence purchasing interest	0.852	
	User generated content can help consumers find out product quality	0.848	
	User generated content can help producers continue to improve the quality of their products	0.828	
	User generated content can help producers expand their market share	0.839	
	User generated content can increase the number of consumer purchases	0.844	
	User generated content can make a producer's business	0.841	

	bigger	
	User generated content can create more and more business branches	0.848
Consumer Purchase Interest (Y)	Purchasing decisions can be influenced by user generated content	0.859
	Purchasing decisions can be made after consumers get to know the product	0.853
	Good reviews make consumers more willing to buy	0.849
	A purchasing decision can be made if the consumer is satisfied with the first purchase	0.851
	Purchasing decisions can be influenced by reviewer promotions	0.855
	Purchasing decisions can be influenced by a good company portfolio	0.841
Discount (Z) Valid > 0.70	Price cuts can influence employee purchasing decisions	0.891
	Price discounts can make purchasing decisions more convincing after receiving good reviews from reviewers	0.901
	Price cuts can influence consumer doubts to become confident	0.905
	Many consumers prioritize price over quality	0.889
	Consumers no longer look at quality if the price is cheap	0.902
	Price discounts can increase consumer confidence in purchasing	0.904

Valid > 0.70

Realibility Test

The data distributed to 300 TikTok users consisting of 150 producers and 150 consumers, was all valid. The next stage is to find out whether the variable is reliable or not by knowing the true value of a construct and the lower value of a construct with the following results (Sarstedt et al., 2014):

Table 2Realbility Test

Variable	Composite Realibility	Cronbach Alfa	Noted
User Generated Content	0.821	0.861	Acceptable
Consumer Purchase Interest	0.840	0.890	Acceptable
Discount	0.890	0.920	Acceptable

Valid > 0.70

Path Coefsien

Based on the results of the two tables above, it can be ascertained that the 20 question items consisting of 8 User Generated Content variable question items, 6 Purchase Interest variable questions, and 6 variable questions distributed to 300 TikTok users consisting of 150 producers and 150 consumers are guaranteed to be valid and all The variable is reliable, so the next step is to find out the direction of the relationship and the significant influence of the User Generated Content variable on the Pruchase Interest variable and whether the Discount variable can moderate this variable or not (Ghozali, 2016).

Table 3Path Coefisien

	Variable	P-Values	Noted
Direct Influence	UGC->CPI	0.006	Acceptable
Indirect Influence	D*UGC->CPI	0.000	Acceptable

Significant Level < 0.05

H1: The Influence of User Generated Content on Consumer Purchase Interest

Reviews from TikTok application users of a product, also known as User Generated Content, researchers believe can increase consumer purchasing decisions because the market share is expanding, product quality can be seen without having to come in person, and brand trust can be represented by consumer trust in reviewers. Based on this, the User Generated variable has a positive relationship and a significant influence on the Purchase Interest variable. This is in line with research (Ariasih & Putra, 2022); (Rahma, 2021) & (Geraldi, 2016) which shows that the User Generated Content variable has a positive relationship and a significant influence on the Pruchase Interest variable because it has a positive direction and the p-values are below the significance level of 0.05, namely 0.006. Thus the first hypothesis in this research can **be accepted**.

H2: Discount Can Moderates The Influence of User Generated Content on Consumer Purchase Interest

Researchers believe that even if a product has a big discount, consumers will be more confident in buying a product, especially if the product is accompanied by good reviews, good

quality, and trusted by many people. Even worse, consumers don't think about this because they are tempted by discounts. In line with this statement, the Path Coefficient table in the second hypothesis shows that the Discount variable can moderate the influence of the User Generated Content variable on Pruchases Interest and even shows a more significant influence from direct testing, namely 0.00 from the previous 0.006. Thus the second hypothesis in this research can be accepted.

4. CONCLUSION

Based on the results of the presentation above, conclusions can be drawn with the following points:

- 1. The User Generated Content variable has a positive relationship and a significant influence on the Purchase Interest variable because the more reviews from TikTok users, the greater the seller's market share and the more consumers know about the product. If the product gets good reviews, consumer purchasing decisions will increase.
- 2. The Discount variable is able to moderate the positive relationship and significant influence of the User Generated Content variable on the Purchase Interest variable, the results are even more significant because good reviews, a large market share and high trust will convince consumers even more if accompanied by a bigger discount. bigger than competitors.

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