

# Strategic Entrepreneurials and Brand Trust on Purchasing Decisions Through E-Commerce

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Abstract—Basically, Nature Republic has experienced a significant decline in sales. Where this decline in sales occurred until 2020. The purpose of this study is to analyze business strategies with brand trust in increasing e-commerce for product quality. The research method uses a quantitative approach with a descriptive quantitative research design, data collection techniques using observation, documentation studies and questionnaires. Data analysis techniques use hypothesis testing and regression in identifying the influence between variables. The results of the data analysis can be interpreted that a determination coefficient of 0.533 is obtained. This means that the independent variables, namely product innovation and brand trust, are able to explain the dependent variable, namely purchasing decisions by 53.3% and 46.7% are determined by other factors not studied in this study. Therefore, partially product innovation has a significant influence on purchasing decisions for Nature Republic products through Shopee e-commerce. This is indicated by the results of the t-test calculation which has a value greater than the t table.

Keywords: entrepreneurial strategies, brand trust, purchasing decisions, e-commerce.

#### I. INTRODUCTION

The use of skincare is a basic need in caring for facial skin to keep it healthy and avoid skin problems such as acne, blackheads, dark spots and premature aging. Having a healthy, well-groomed face is believed to increase a person's self-confidence [1]. The use of skincare is a routine activity carried out to care for facial skin. Facial care products are not only limited to women, but there are many facial care products for men [2].

Indonesia as a tropical country, Indonesian skin type has oily skin condition due to warm and humid climate factor. In addition, natural internal factor of Asian skin produces more sebum (oil). Skin condition that tends to be oily causes acne prone. Further compounding this research gap is the evolving nature of consumer engagement through social media platforms. Emerging evidence suggests that social media marketing significantly impacts brand equity consequently, brand trust, indicating a synergistic relationship that affects purchasing behavior [2]. Some types of Asian skin have sensitive skin, because the outermost protective layer of skin is thin, so that hot, cold air and chemical conditions can easily irritate the skin for those with sensitive skin [3].

Not a few Indonesian people want skin like Korean women. This ultimately makes various cosmetics from South Korea sell well in the Indonesian market [4] . Many Indonesian women assume that facial care products from South Korea are suitable for the skin types of Indonesian people. Facial care products from Korea provide several choices of variations that can be adjusted to the needs of facial skin, making Korean products popular with Indonesian people [5].

Table 1. Top Brand Aloe Vera Gel Best Sellers in Indonesian E-Commerce

Indonesian E commerce				
Brand Sales volume				
	(percent)			
Nature Republic	43.7%			
Azarine	14.1%			
Herborist	12.1%			
C	[6]			

*Source:* [6] .

Table 1 above shows that the best-selling aloe vera gel product sales category in E-Commerce was achieved by the Nature Republic brand which managed to occupy the first rank, then followed by the Azarine brand which occupied the second rank and the Herborist brand as the third rank in the best-selling aloe vera gel product category in E-Commerce. In addition to aloe vera gel which is a mainstay product, Nature Republic has several other products such as cleansing, mask , make up, cosmetic tools , and also skincare products for men [7] .



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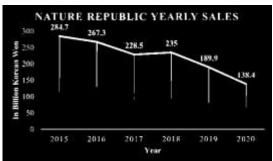


Figure 2. Nature Republic's total annual sales

Source: The Bell South Korea [8].

In addition, the total sales of Nature Republic do not always appear to increase. As shown in Figure 1, Nature Republic experienced a fairly good increase in sales every year after the first five years of its establishment. However, it turns out that based on information conveyed to the South Korean capital market media, the bell, the total sales of Nature Republic slowly decreased from 2015 to 2017, and managed to increase in 2018. Furthermore, in the following year, Nature Republic again experienced a significant decline in sales [9]. Where this decline in sales occurred until 2020.

According to information, sales decreased by about 24% to KRW 109.5 billion in the third quarter, compared to the same period previously, total sales were around KRW 144 billion. Overall, Nature Republic's sales performance did not change and continued to decline compared to previous periods [8].

Consumer purchasing decisions are a real process after going through several stages that are carried out until finally determining a purchasing decision which is the activity of purchasing a product as a result of the selection and evaluation actions carried out, and involves perceptions of quality [9].

Thus, the aspect of strategic entrepreneurial innovation as product innovation. In line with the research conducted by [10] testing "Product Innovation, Advertising Creativity, Advertising Effectiveness, and Brand Trust Encouraging Purchasing Decisions" states that brand trust does not influence purchasing decisions.

### II. LITERATURE REVIEW

# 2.1 Purchasing Decision

Purchasing decisions are defined as the activity of collecting information about relevant alternatives and making appropriate choices as a selection of two or more alternative choices, in other words the availability of more than one choice is a must in decision making [9]. Purchasing decisions are defined as the process of selecting two or more alternative choices, but on the other hand if there are no alternative choices and are forced to make a certain purchase, then this cannot be said to be a decision [11].

Consumer decisions are influenced by economics, culture, technology, products, prices, physical. So that it forms an attitude to process all information and draw conclusions in the form of responses to products that will be purchased consciously [12] . Based on the description above, it can be concluded that purchasing decisions are steps taken by consumers to fulfill their needs and desires based on considerations of several alternative choices that are driven emotionally and rationally and influenced by economics, culture, technology, products, prices, and physics.

### 2.2 Brand Trust

Trust is considered as an important thing in building and maintaining long-term customer relationships. This explains that the initial creation of a relationship with a partner is based on trust. Brand trust is consumer trust in a particular brand and is very important for companies to be able to establish good relationships with consumers. It is important for companies to create brand trust with consistent and quality product performance so that consumers make purchases of the product [9].

Brand trust as a sense of security felt by consumers in interactions with brands based on expectations of brand reliability and intentions. Reliability is the perception that a brand is able to fulfill the promised value and provide satisfaction. Based on that, intentions are the belief that a brand is able to prioritize consumer interests when product problems arise



unexpectedly [13] . Specifically, trust can reduce uncertainty in an environment where consumers feel insecure, because they know they can rely on a brand they trust [14] .

Thus, product innovation will form purchasing interest until a purchasing decision occurs [15]. Based on the explanation above, it can be concluded that product innovation is a creative idea that produces a renewal process for a product. This is one of the important factors in supporting company performance to meet consumer demands that continue to change along with the times.

#### III. RESEARCH METHODS

The type of research used is quantitative research. The quantitative approach focuses on symptoms that have certain characteristics in human life. Quantitative research uses statistics, in large-scale surveys, using questionnaire methods. Quantitative research requires the use of numbers, starting from data collection, interpretation and presentation of research results. Quantitative research is the final type of research that aims to explain everything based on consideration of research objectives. This research is designed to obtain information about the status of a symptom when the research is conducted [16].

The independent variables in this study are product innovation and brand trust. While the dependent variable is called the bound variable which is a variable that is influenced or that is the result, because of the independent variable. In the study there is a variable, whose characteristics are to be known by measuring. The data collected using the instrument will be described and tested for hypotheses in the study [17].

Quantitative research is the operationalization of scientific methods using scientific elements. Starting from the problem, referring to theory, putting forward hypotheses, collecting data, analyzing data and making conclusions. Starting by identifying important, actual and interesting problems. In addition, the research must also have benefits for the problems being studied [18] . The processing of this

research uses the SPSS program (statistical product and service solution software) version 20 as a data analysis tool and tables used to calculate statistics. This research was conducted with validity tests and reliability tests. This research uses multiple linear regression analysis.

#### IV. RESULT AND DISCUSSION

Based on the findings of the research that has been carried out, the influence of product innovation and brand trust on consumer purchasing decisions of Nature Republic through Shopee e-commerce. The research data uses respondents collected through questionnaires that have been distributed to Nature Republic consumers according to the criteria.

Decision making for reliability testing of a construct or variable is said to be reliable if the cronbach alpha value is >0.60, and vice versa if the cronbach alpha value is <0.60 then it is said to be unreliable. Reliability calculations use the SPSS version 20 program application. Based on the results of the instrument trial, the following reliability calculation results were obtained:

Table 3. Product Innovation Reliability Test Reliability Statistics

Cronbach's Alpha	N of Items
.644	6

Source: (SPSS 20, 2025)

Based on table 3.7, the calculation of the product innovation reliability questionnaire is 0.644. This figure is greater than the minimum Cronbach's alpha of 0.6. Therefore, it can be concluded that the research instrument used can be said to be reliable. Based on the interpretation table, the r value of 0.644 is included in the high category.

Data analysis of descriptive data processing results on product innovation variables describes respondents' assessments. The research results are then categorized into three levels, namely high, medium, and low. Description of respondent assessment variable data is presented including Minimum, Maximum, Mean (M) and standard deviation (SD). Determination of category results is presented as follows:



Table 4. Results of calculating the mean and standard deviation values of product innovation

**Descriptive Statistics** 

	N	Minimu m	Maxim um	Mea n	Std. Deviati on
Product Innovati on	10 0	17	30	25.8 0	2,682
Valid N (listwise )	10 0				

Source: (SPSS 20, 2025)

In the product innovation variable there are three indicators, namely: product design, product variants and product quality. This indicator is used to measure the product innovation variable through questionnaire data consisting of six statement items that will be calculated in detail to find out how product innovation is at Nature Republic based on consumer perspectives.

Table 5. Results of calculating the mean and standard deviation values of purchasing decisions

**Descriptive Statistics** 

Descriptive Statistics					
	N	Minimu m	Maximu m	Mea n	Std. Deviatio n
Buying decisio n Valid N (listwis e)	10 0 10 0	15	35	28.9 4	4.109

Source: (SPSS 20, 2025)

Based on table 5, the results of the descriptive analysis on the purchasing decision variable show that the minimum value is 15, the maximum value is 35, the mean value is 28.94, and the standard deviation is 4.109.

Table 6. Multiple Linear Regression Coefficients <sup>a</sup>

Model	Unstandardi	Standardi	t	Si
	zed	zed		g.
	Coefficients	Coefficie		
		nts		

	В	Std. Error	Beta		
(Consta nt)	1.21 3	2,972		.40	.68 4
1 Product Innovati on	.301	.143	.196	2.1 02	.03
Brand Trust	.732	.117	.584	6.2 51	.00

a. Dependent Variable: Purchase Decision *Source: (SPSS 20, 2025)* 

The coefficient value of the product innovation variable (X1) is 0.301. This means that product innovation has a significant effect on the purchasing decision of Nature Republic through *e-commerce*. The brand trust variable (X2) is 0.732. This shows that the brand trust variable has a significant effect on the purchasing decision of Nature Republic through *e-commerce*.

Table 7. Results of the determination coefficient test

**Model Summary** b

1120401 241111141 3						
Mod	R	R	Adjusted R	Std. Error		
el		Square	Square	of the		
				Estimate		
1	.730 <sup>a</sup>	.533	.523	2,837		

a. Predictors: (Constant), Brand Trust, Product Innovation

b. Dependent Variable: Purchase Decision *Source:* (SPSS 20, 2025)

Based on the calculation results of the determination coefficient test in table 7, the determination coefficient is 0.533. This means that the independent variables, namely product innovation and *brand trust*, are able to explain the dependent variable, namely purchasing decisions, by 53.3% and 46.7% is determined by other factors not examined in this study.

Innovation that is carried out by fulfilling consumer needs means that the product will continue to be in demand by consumers. When a company succeeds in developing product innovation, it will increase marketing performance [19]. Brand trust provide value to consumers in maintaining and building good relationships based on trust. This is a sense of



security felt by consumers as a perception that the brand can be relied on so as to form good loyalty and recommend the product to those closest to them.

This will affect the sustainability of a brand. When a brand loses consumer trust, it will be difficult to develop products on the market. Likewise, when a brand has positive consumer trust, it will be easy for them to develop product brands on the market, which will have a positive impact on purchasing decisions made by consumers [20].

High innovation can increase consumer purchases. This study is supported by previous research by [10] which states that there is a positive and significant influence of product innovation on purchasing decisions. In increasing purchasing decisions, product innovation is needed to achieve competitive advantage. The better the product innovation owned by an entrepreneur, the better the company is in maintaining its company. Research conducted by [21].

Thus, the results of the research findings identified that consumers who already have trust in a brand will usually recommend the product to others, and vice versa, when consumers do not have trust in the brand, consumers will not recommend the product to others. In this sophisticated era, it will be easy for consumers to review the products they buy, it will also easily make the spread of information to consumers.

### V. CONCLUSION

This study examines and analyzes the influence of product innovation and brand trust on consumer purchasing decisions of Nature Republic through e-commerce. The conclusion of this study. Product innovation, brand trust and purchasing decisions at Nature Republic obtained results that the three variables are in the moderate/quite good category in the company. Partially, product innovation has a significant influence on purchasing decisions of Nature Republic products through Shopee e-commerce. This is indicated by the results of the t-test

calculation which has a value greater than the t

Brand trust has a significant influence on the decision to purchase Nature Republic products through Shopee *e-commerce* . This is indicated by the results of the t-test calculation having a value greater than the t table. So it can be concluded that *brand trust* has good effectiveness in increasing the purchasing decisions of Nature Republic consumers. Based on the conclusion that there is a significant influence between product innovation on purchasing decisions and brand trust on purchasing decisions, there are suggestions for further researchers that seeing that there are still many shortcomings in this study, therefore further researchers can conduct more comprehensive research on factors that can influence purchasing decisions.

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