

The Influence of E-Commerce and Product Innovation Mediation in Increasing Consumer Purchase Interest of Lulur Putri Ayu in Palangka Raya City

Aprita^{1*}, Meitiana², Vivvy Kristinae³, Nurlia Eka Damayanti⁴
Faculty Economic and Business, University of Palangka Raya
Corresponding Author: Aprita aprita1742@gmail.com

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ABSTRACT

This research is in the field of marketing which aims to analyze the influence of e-commerce on purchase interest with product innovation mediation on Ayu scrub product. The method used is a quantitative approach with Partial Least Squares (PLS), involving 150 female respondents aged 17-50 years in Palangka Raya City. The variables studied include e-commerce (X), product innovation (Z), and purchase interest (Y). The results of the study indicate that e-commerce has a positive and significant effect on purchase interest, which means that the better the e-commerce platform, the higher the consumer purchase interest. In addition, e-commerce also has a significant effect on product innovation, which shows that innovation develops along with market trends in e-commerce. Product innovation is proven to have a significant effect on purchase interest, where products with innovative advantages are more attractive to consumers. The mediation test shows that product innovation mediates the relationship between e-commerce and purchase interest partially, so that innovation strengthens the impact of e-commerce on purchase interest. This finding indicates that the marketing strategy of Ayu body scrub must optimize e-commerce while continuing to innovate in products to be more competitive and increase consumer appeal.

INTRODUCTION

Nowadays, making cosmetics is not only a necessity for adult women, but has become a necessity for various age and gender segments, which is marked by the existence of self-care products for teenage women, anti-aging care for elderly women, care products for men, and care products for children (Dash et al., 2021). Cosmetics are one of the industries with quite rapid growth which is marked by increasing demand which is then followed by the presence of many new companies. The Lulur Putri Ayu brand is one of the various cosmetic brands that are popular in Indonesia and has a fairly large market share, this is proven by the ability of Lulur Putri Ayu to maintain its credibility by successfully occupying the top five positions in the Top Brand Index. Top Brand Index is a brand performance research that is measured based on excellence in three parameters, namely: Top Of Mind Share (brand strength in positioning itself in the minds of customers); Top of Market Share (brand strength in the market and closely related to purchasing behavior) and Top of Commitment (brand strength in encouraging customers to return in the future).

Its popularity is not only influenced by its benefits, but also by the cultural values, trends, and accessibility of the product (Leong et al., 2022). Putri Ayu body scrub has become part of the daily lives of the Palangka Raya community who want to care for their bodies naturally while maintaining a connection with local beauty traditions. Along with the increasing awareness of the Palangka Raya community about the importance of self-care, the demand for products such as body scrubs is increasing. This is supported by social media trends that introduce traditional-based body care products as part of a healthy lifestyle. The marketing of these products often emphasizes the image of natural beauty that is in accordance with local values. In addition (Xu et al., 2022), the use of this product is also often popularized through recommendations from friends, family, and influencers on social media, which influences consumers to try this product.

In purchasing a product, consumers first make a decision about what product can meet their needs and desires (Majeed et al., 2021). For this reason, companies need to know the things that are considered in consumer purchasing decisions by always looking for information about what consumers want and need and how to attract consumer interest and attention so that the products they have can be "seen" and well known by consumers (Aji et al., 2020). Purchasing decisions greatly affect the success of a business, if purchasing decisions increase, sales volume will increase, and this will have a positive impact on the company to continue to maintain its business.

Innovation is considered a mechanism for companies to adapt to a dynamic business environment (Li et al., 2024). With innovation and e-commerce, companies hope to compete in the cosmetics market in increasing consumer purchasing interest and purchasing decisions (Fernández-Bonilla et al., 2022). E-commerce allows companies to market innovative products more widely and efficiently (Rahayu & Day, 2017). Consumers can easily find products with new features that suit their needs. With features such as artificial intelligence-based product recommendations and targeted advertising, e-commerce helps introduce product innovations to relevant consumers (Ballerini

et al., 2023). Customer reviews and product ratings in e-commerce serve as supporting factors for consumers to have more confidence in the product innovations offered. Based on previous phenomena and research, this study adopts the variable of product innovation in increasing purchasing interest in lulur ayu products, which are traditional body scrubs in Indonesia in Palangka Raya City.

LITERATURE REVIEW

Research Theory that is the basis of the study Planned Behavior Theory (Ajzen, 1991) This theory states that a person's purchase intention or interest is influenced by attitudes, subjective norms, and perceptions of behavioral control. This can be used to explain how e-commerce and innovation can increase purchase interest which leads to purchase decisions. Benefits of Planned Behavior Theory (TPB) in This Research:

1. Analyzing Factors Influencing Purchase Interest TPB helps understand how consumer attitudes towards e-commerce and product innovation can affect their purchase intention or interest. If consumers have a positive view of e-commerce and product innovation, then they tend to have a higher purchase interest.
2. Explaining the Role of Subjective Norms in Purchase Interest and Decisions. Subjective norms in TPB refer to the influence of others (family, friends, or online reviews) on consumer decisions. In the context of e-commerce and product innovation, recommendations from the social environment can increase consumer trust and purchase interest.
3. Measuring the Influence of Perceived Behavioral Control on Purchase Decisions. TPB explains that perceived behavioral control (the feeling of ease or difficulty in making a purchase) influences purchase intentions and decisions. If e-commerce offers an easy, safe, and convenient shopping experience, consumers are more likely to make a purchase. Likewise with product innovations that make products more attractive and easy to use.
4. Predicting Conversion from Purchase Intention to Purchase Decision By understanding how attitudes, subjective norms, and behavioral control influence purchase intentions, research can predict whether consumers' purchase intentions will actually lead to purchase decisions.

The Theory of Planned Behavior (TPB) is very relevant in research on the influence of e-commerce and product innovation on purchase intention and purchase decisions. TPB helps understand the psychological factors that influence purchase intention, provides a clear analytical framework, and enables the design of more effective marketing strategies to increase the conversion from purchase intention to purchase decision. This study has the following hypotheses:

1. The Influence of E-Commerce on Purchase Intention. Research conducted by (Attar et al., 2022) shows that e-commerce has a significant influence on consumer purchase interest. In today's digital era, e-commerce plays an important role in providing convenience for consumers to meet their needs and desires. The delivery of appropriate

and strategic product information on the e-commerce platform can increase consumer attraction to the products offered. This is also reinforced by research (Tolstoy et al., 2021), which emphasizes that e-commerce can encourage consumer purchase interest while creating longer customer lifetime value for the company.

2. The Influence of Product Innovation on Purchase Interest. Innovation is an important factor in attracting consumer purchase interest. Based on research (Chawla & Kumar, 2022), innovation has been shown to have a positive and significant influence on purchase interest. Consumers tend to be attracted to products that offer new and unique value. In addition, research results (Kalkha et al., 2023) show that product innovation is a major consideration for customers in determining their purchase interest. Consumers will look for more information about innovative products before finally deciding to buy them.
3. The influence of e-commerce on purchasing interest with Product Innovation mediation. E-commerce has become one of the main factors in influencing consumer purchasing interest. Ease of access, a variety of product choices, competitive prices, and various interactive features such as customer reviews and product recommendations increase consumer appeal to make purchases. According to (Andersén, 2021), e-commerce has a significant influence on purchasing interest, especially because of the ease of obtaining information and making transactions quickly and efficiently (Danneels, 2002). Although e-commerce provides convenience in shopping, consumers also consider aspects of product innovation before deciding to buy. Innovation in products can be in the form of improved quality, new features, more attractive designs, or more sophisticated technology. According to (Tirtayasa & Rahmadana, 2023), innovation has a significant effect on purchasing interest, because consumers are more interested in products that offer advantages and differentiation compared to conventional products. As a mediating variable, product innovation strengthens the relationship between e-commerce and purchasing interest. With innovation, the products offered in e-commerce become more attractive and in accordance with consumer needs. Consumers not only consider ease of access via e-commerce, but also the attractiveness and added value of the products offered.

METHODOLOGY

This study uses a quantitative approach with a survey method. Data collection techniques are carried out through questionnaires distributed to respondents. Population: Women aged 17–50 years in Palangka Raya City who have or are actively shopping through e-commerce. Sample: 150 respondents selected using purposive sampling, with the following criteria:

Have made a purchase through an e-commerce platform in the last 6 months. Know the innovative products available on e-commerce. Independent Variables (X): E-commerce (ease of access, product variety, customer reviews, transaction security). Mediating Variables (Z): Product innovation (design, new

features, additional benefits, uniqueness). Dependent Variables (Y): Purchase intention (interest, purchase consideration, desire to buy). Partial Least Squares - Structural Equation Modeling (PLS-SEM) is used in this study because: Suitable for small to medium samples such as 150 respondents. Does not require the assumption of normal distribution. Able to test direct and indirect relationships between variables X, Z, and Y.

Validity and Reliability Test using Outer Model Analysis: Testing the validity of indicators through Convergent Validity (AVE > 0.5) and Discriminant Validity. Composite Reliability and Cronbach's Alpha are used to measure data consistency and reliability (> 0.7) (Kristinae, 2021). Hypothesis Testing and Mediation Effect, Inner Model Analysis to measure the relationship between variables by looking at the path coefficient and p-value. Using bootstrapping to test direct and indirect effects: Direct effect: X → Y (E-commerce on Purchase Interest). Indirect effect (Mediation): X → Z → Y (E-commerce on Purchase Interest through Product Innovation). If the direct effect decreases but remains significant after entering the mediating variable, then product innovation has partial mediation. If the direct effect becomes insignificant, then product innovation has full mediation (Kristinae et al., 2023). Significance Criteria, t-statistic value > 1.96 and p-value < 0.05 indicate a significant relationship. The path coefficient shows how much influence each variable has.

RESULT

This study aims to analyze the influence of e-commerce (X) on purchasing interest (Y) with product innovation (Z) as a mediating variable on 150 female respondents aged 17-50 years in Palangka Raya City. The analysis method used is Partial Least Squares - Structural Equation Modeling (PLS-SEM) to test the relationship between variables.

Table 1. Validity and Reliability Test

Variable Laten	Cronbach Alpha	Composite Reliability	Average Variance Extracted (AVE)
Product Innovation	0,846	0,907	0,764
Minat Beli	0,793	0,857	0,545
e-commerce	0,765	0,850	0,586

Source: Author, 2025

The results of the validity test show that all indicators in the e-commerce, product innovation, and purchase interest variables have an Average Variance Extracted (AVE) value > 0.5, which means that each indicator is able to explain the variable well. In addition, the Composite Reliability (CR) and Cronbach's Alpha values for all variables are more than 0.7, so the data can be said to be reliable and consistent in measuring the concept being studied. The following is a picture of the analysis results.

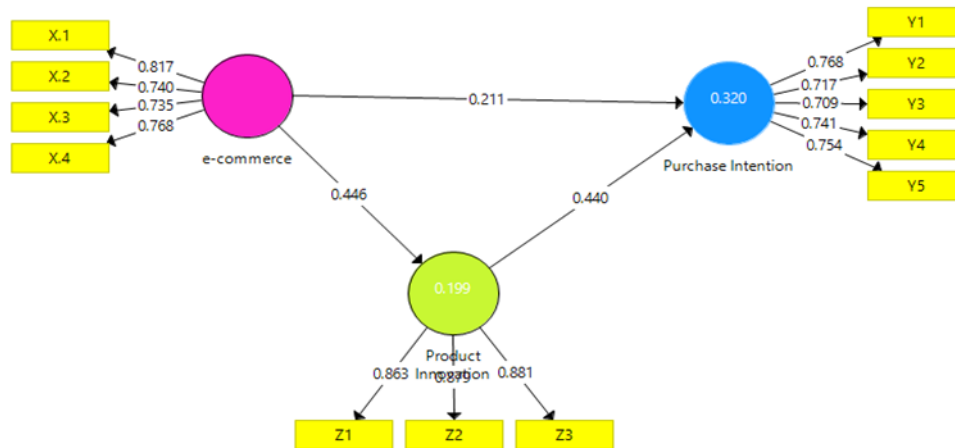


Figure 1. PLS Analysis Results
Source: Author, 2025

Hypothesis Testing and Mediation Effect

Based on the results of the PLS-SEM analysis with bootstrapping, the following results were obtained:

Table 2. Path Coefficient

Hypothesis research	Path Coefficient (β)	t-statistic	p-value	Results
E-Commerce → Purchase Intention (X → Y)	0,211	2,578	0,005	Significant
E-Commerce → Product Innovation(X → Z)	0,446	4,608	0,000	Significant
Product Innovation → Purchase Intention (Z → Y)	0,440	5,214	0,000	Significant
E-commerce → Product Innovation → Purchase Intention (X →Z → Y)	0,196	3,392	0,000	Significant

Source: Author, 2025

All relationships between variables show significant results (p-value <0.05), which means:

1. E-commerce has a positive and significant effect on purchasing interest. The better the quality of e-commerce, the higher the consumer's purchasing interest.
2. E-commerce also has a positive and significant effect on product innovation. Companies that use e-commerce can market innovative products more easily.
3. Product innovation has a positive and significant effect on purchasing interest. Consumers are more interested in products that have added value than conventional products.

Mediation Analysis (E-Commerce → Product Innovation → Purchase Interest)

To test the role of product innovation as a mediating variable, direct and indirect influence tests were conducted:

- a) Direct influence ($X \rightarrow Y$) before entering the mediating variable: 0.211 (p-value = 0.000 \rightarrow significant).
- b) Direct influence ($Z \rightarrow Y$) after entering the mediating variable: 0.440 (p-value = 0.000 \rightarrow still significant, and increasing).
- c) Indirect influence ($X \rightarrow Z \rightarrow Y$): 0.331 (p-value = 0.000 \rightarrow significant).

Because the direct influence is still significant but decreases after entering product innovation as a mediator, product innovation has a role as a partial mediator. This means that e-commerce still has a direct influence on purchase interest, but the impact will be stronger if the marketed product has innovation.

DISCUSSION

Discussion Result:

1. E-commerce has a positive and significant effect on purchasing interest (the better the e-commerce service, the higher the consumer purchasing interest).
2. E-commerce has a positive and significant effect on product innovation (companies that use e-commerce can more easily introduce innovative products).
3. Product innovation has a positive and significant effect on purchasing interest (innovative products are more attractive to consumers).
4. Product innovation partially mediates the relationship between e-commerce and purchasing interest, which means that the role of e-commerce in increasing purchasing interest becomes more effective if supported by product innovation.

These results imply that business actors not only need to optimize e-commerce, but also continue to innovate their products to increase consumer appeal and purchasing decisions.

1. The Importance of E-Commerce in Increasing Purchase Interest. E-commerce provides various benefits for consumers in searching, comparing, and purchasing body care products such as Ayu scrub. Some of the main factors that make e-commerce play an important role in increasing purchase interest are:
 - a. Ease of Access: Consumers can buy products anytime and anywhere without having to come to a physical store.
 - b. Complete Product Information: Product descriptions, customer reviews, and high-quality images help consumers understand the benefits of Ayu scrub before buying.
 - c. Promotions and Discounts: E-commerce often offers discounts, cashback, and other promotions that attract consumer purchase interest.
 - d. Flexible Payment Methods: Various payment methods, including bank transfers, e-wallets, and installments without credit cards, make transactions easier.
 - e. Security and Trust: Buyer protection systems and return policies provide consumers with a sense of security when shopping online.

With these factors, e-commerce is able to increase consumer interest in buying Ayu scrubs, especially for those looking for high-quality body care products with easy digital access.

2. The Influence of Product Innovation on Buying Interest. In addition to the existence of e-commerce, product innovation also plays an important role in increasing consumer interest in buying Ayu scrubs. Product innovation covers various aspects, such as:
 - a. New Formulas and Contents: The use of more effective natural ingredients, such as herbal extracts or essential oils, can increase the appeal of the product.
 - b. Attractive and Practical Packaging: Modern and environmentally friendly packaging is preferred by consumers who care about the environment.
 - c. Aroma Variants and Additional Benefits: Scrub products with distinctive aroma variants or additional benefits (for example, scrubs with a longer brightening or moisturizing effect) can attract more consumers.
 - d. Softer and Easier to Use Texture: Consumers tend to choose products that are comfortable to use and provide more optimal results.

The results of the study show that innovation in body care products, including Ayu scrub, has a significant impact on purchasing interest. Consumers will be more interested in trying and buying products that have advantages over similar products that are already on the market.

3. Product Innovation as a Mediator of the Relationship between E-Commerce and Purchase Intention

In this study, product innovation acts as a mediating variable in the relationship between e-commerce and purchase intention. This means that although e-commerce can directly increase purchase intention, its impact will be stronger if supported by attractive product innovation. When consumers access Ayu's body scrub products through e-commerce, they not only consider the ease of transactions but also the uniqueness and innovation aspects of the product. Attractive innovation will further strengthen the urge to buy, thereby increasing the effectiveness of e-commerce in influencing purchase intention. Based on the results of the analysis, there is a significant relationship between:

1. E-commerce and product innovation: A good e-commerce platform allows the Ayu body scrub brand to more easily introduce its product innovations to consumers.
2. Product innovation and purchase intention: Consumers who are interested in product innovation will be more likely to buy.
3. E-commerce and purchase intention with product innovation mediation: The influence of e-commerce on purchase intention becomes stronger when the marketed product has attractive innovations and is relevant to consumer needs.

4. E-commerce plays an important role in increasing interest in buying Ayu body scrub by providing easy access, complete information, and attractive promotions.
5. Product innovation has a significant effect on purchasing interest, where consumers are more interested in products with better formulations, packaging, and benefits.
6. Product innovation plays a mediating role in the relationship between e-commerce and purchasing interest, which means that the existence of e-commerce is more effective in increasing purchasing interest if the products offered have unique and innovative advantages.

CONCLUSION AND RECOMMENDATION

Business strategies to increase sales of Ayu body scrub should not only focus on optimizing e-commerce, but also continue to innovate products in order to attract more consumer attention and increase purchasing decisions. Based on the results of research conducted on 150 female respondents aged 17-50 years in Palangka Raya City, it can be concluded that e-commerce, product innovation, and purchasing interest have a significant relationship and influence each other in purchasing decisions for Ayu body scrub.

1. E-commerce has a positive and significant effect on purchasing interest. The better the e-commerce platform used in marketing Ayu body scrub, the higher the consumer purchasing interest. This is due to ease of access, complete product information, and various promotions that attract purchasing interest.
2. E-commerce has a positive and significant effect on product innovation. E-commerce is not only a marketing channel, but also encourages producers to continue to innovate in Ayu body scrub products to be more competitive. Features in e-commerce, such as customer reviews and market trends, help companies understand consumer needs and develop more innovative products.
3. Product innovation has a positive and significant effect on purchasing interest. Ayu body scrub products that have innovative advantages, such as natural formulas, additional benefits, and attractive packaging, are more in demand by consumers. This shows that product innovation is an important factor in increasing consumer appeal and purchasing interest.
4. Product innovation partially mediates the relationship between e-commerce and purchasing interest. Although e-commerce directly affects purchasing interest, its impact becomes stronger when the product offered has an interesting innovation. In other words, the success of e-commerce in increasing purchasing interest in Ayu scrub will be more optimal if accompanied by the development of product innovations that are in accordance with consumer preferences. The implications of the research are, strengthening e-commerce, by improving the quality of service, product information, and digital marketing strategies. Developing product innovation, so that products are more competitive and able to attract consumer purchasing interest. With the synergy between e-commerce and product innovation, Ayu scrub producers can

increase competitiveness in the market, attract more customers, and drive sustainable sales growth.

ADVANCED RESEARCH

Future research on business strategies to increase sales of Ayu body scrub can explore deeper aspects of consumer behavior and market dynamics. One potential direction is to examine how different e-commerce strategies, such as personalized marketing, influencer collaborations, and interactive content, impact consumer engagement and purchasing decisions. Additionally, future studies could investigate the role of sustainability and ethical sourcing in product innovation, as environmentally friendly products are becoming increasingly important to modern consumers. Another valuable area of research is the long-term effect of product innovation on brand loyalty—whether continuous improvements in product formulation and packaging lead to sustained customer retention. Finally, future research could expand the demographic scope beyond Palangka Raya City to determine whether similar patterns hold in different regions or among varying age groups, providing a broader understanding of the factors influencing purchasing interest in Ayu body scrub.

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