

Analysis of Purchasing Decisions Based on Sales Promotion and Service Quality

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ABSTRACT

This research aims to analyze purchasing decisions based on sales promotions and service quality at Giant Ekspres Pondok Cabe, South Tangerang. The method of data analysis is using quantitative associative analysis techniques where the population is 32,866 consumers, sampling, the author uses the Slovin formula with an error rate of 10% where after calculating the number of samples obtained as much as 99.69 rounded up to 100 Respondents. There is a significant simultaneous effect between sales promotion and service quality on purchasing decisions at Giant Express Pondok Cabe. This is indicated by the value of $F_{count} > F_{table}$ ($1990,740 > 3.09$) and significance of 0,000. The effect is based on the value of the R determination coefficient which is equal to 0.976. This means that variations in Sales Promotion and Service Quality variables explain the variation in the purchase decision variable is 97.6% and the difference of 2.4% is explained by factors that are not examined.

Keywords: purchasing decision, promotion, service quality

INTRODUCTION

Retail business is the whole activity of selling goods or services directly to consumers that are used to meet their personal needs and not to be used for business needs or further processing. (Maruf, 2006; Soliha, 2008; Utomo, 2010) Every company that sells directly to end consumers, producers, wholesalers, and retailers can be said to act in the retail business. The rapid development of modern retail is based on the company's desire to meet the needs of its customers (Sarwoko, 2008; Utomo, 2011). Someone buys goods or services because of wants and needs. In addition there are functional needs related to routines such as meeting family needs, finding low prices, and so on. At this time customer behavior has been a shift in behavior (behavior change). Behavior of people who shop with planned to be unplanned. People who are unplanned think short and look for the instant and look for products that can provide short-term benefits to solve problems that are in plain sight. According to (Kotler, 2011), the specific purchasing process consists of the following sequence of events: problem recognition, information search, alternative evaluation, purchase decision and post-purchase. The job of the marketer is to understand the behavior of the buyer at each stage and the influence of what works at that stage. According to the American Marketing Association cited by (Kotler & Keller, 2009), marketing is an organizational function and a series of processes to create, communicate, and provide value to customers in ways that benefit the organization and stakeholders.

Marketing management seeks to regulate the level, time and order of existing requests, in order to help the organization achieve its goals (Hollensen, 2010; Peter, Olson, & Grunert,

1999; Scriven, Clemente, Dawes, Trinh, & Sharp, 2017). Marketing management occurs when at least one party in a potential exchange thinks about ways to achieve the response the other party wants (Kotler & Keller, 2015), marketing management as a science of choosing target markets to grow and understand customers.

Understanding promotion (Rangkuti, 2013), promotion is one of the elements in the company's marketing mix that is used to inform, persuade, and remind about company products ". Understanding promotion according to (Kotler and Armstrong, 2008), promotion is an activity that communicates the benefits of the product and persuades customers to buy the product. In carrying out promotional activities there are various means of promotional tools designed to increase sales volume. Sales promotion is a short-term incentive to encourage desire and to try or buy a product (Deng, Staelin, Wang, & Boulding, 2018; Scriven et al., 2017; Yang & Mattila, 2020). Along with economic growth and technological advancements, the business world today. Where companies compete with each other to dominate the market share.

According to Lewis and Booms in (Tjiptono, 2004) states that a measure of how good the level of service provided is able to match customer expectations. The quality of a dynamic condition related to products, services, people, processes, and the environment that meets or exceeds expectations (Granero, 2019; Han & Chouinard, 2014; van Ooijen, Fransen, Verlegh, & Smit, 2017). Understanding of promotional tools that consumers do not understand, service quality is not good, so consumers are less interested in shopping. In addition, the lack of responsiveness in addressing the complaints of consumers conveyed by consumers, thus hampering the purchase decision to use products from the Pondok Cabe Pondok Ekspres Tangerang Selatan.

METHOD

The study was conducted at the Giant Ekspres Pondok Cabe outlet, Jl RE. Martadinata No.1, Pamulang, South Tangerang. Tel 021- 7478020, fax 021-7478020. The population in this study is consumers shopping at Giant Express Pondok Cabe that has been set by researchers, namely consumers in one year in 2017. The type of research is associative quantitative, the number of samples taken in this study is determined by the Slovin formula (Siregar, 2010: 149) with the formula:

$$n = \frac{N}{1 + Ne^2}$$

Table 1
Data on Number of Consumers Who Shop at Pondok Ekspres Giant Express outlets
Month: September to December 2017

Month	Number of Consumers
September	33000 Consumers
October	34100 Consumers
November	31500 Consumers

Sumber : Gerai Giant Ekspres Pondok Cabe

The population of 32,866 consumers. Then from the formula above we get n value of 99.69. So that the number of respondents who will be made into a sample is rounded to 100 respondents.

RESULT AND DISCUSSION

From the results of testing the statistical hypothesis and analysis, an analysis of service quality based on sales promotions and service quality at the Giant Ekspres Pondok Cabe is as follows:

Effect of Sales Promotion on Consumer Purchasing Decisions on Giant Express Pondok Cabe

The correlation between sales promotions and consumer purchasing decisions is 0.954. It can be said that there is a positive relationship of 0.954 between the variable sales promotion with consumer purchasing decisions on the Giant Express Pondok Pondok. The regression model obtained is $Y = -5.035 + 0.670 X_1$ R of 0.910. The data indicates that sales promotion contributed 91.0% to consumer purchasing decisions at Giant Ekspres Pondok Cabe. Tcount value of 31,530 with a significance of 0,000. Value of $t_{table} = t(0.05; 97) = 1.660$. Because $t_{count} > t_{table}$ ($31,530 > 1,660$) and the significance of $t < 0.05$ ($0,000 < 0.05$) means that $H_1 0$ is rejected and $H_1 > 0$ is accepted. This shows that the sales promotion variable has a positive and significant influence on purchasing decisions at Giant Ekspres Pondok Cabe.

Effect of Service Quality on Purchasing Decisions on Giant Express Pondok Cabe

The correlation between service quality and consumer purchasing decisions is 0.986. It can be said that there is a positive relationship of 0.986 between service quality variables with consumer purchasing decisions at the Pondok Cabe Giant Express. The regression model obtained is $Y = -6,122 + 0,478X_2$ R of 0,973. These data indicate that service quality contributed 97.3% to consumer purchasing decisions at the Giant Ekspres Pondok Cabe. Tcount value of 59,003 with a significance of 0,000. Value of $t_{table} = t(0.05; 97) = 1.660$. Because $t_{count} > t_{table}$ ($59.003 > 1,660$) and significance $t < 0.05$ ($0.000 < 0.05$) means that $H_2 0$ is rejected and $H_2 > 0$ is accepted. This shows that the variable quality of service has a positive and significant effect on purchasing decisions on the Giant Express Pondok Pondok.

The Effect of Sales Promotion and Service Quality together on Purchasing Decisions on Pondok Cabe Giant Express

The regression model obtained is $Y = -6,403 + 0,132X_1 + 0,391X_2$. Service quality variable (X_2) has a positive effect on consumer purchasing decisions (Y) with a coefficient value of 0.391 which means that if the service quality variable (X_2) increases by one unit assuming the variable sales promotion (X_1) remains, then the consumer purchasing decision (Y) will increased by 0.391. R is 0.976. The data indicates that sales promotion and service quality contributed 97.6% to consumer purchasing decisions at the Giant Express Pondok Pondo, while the remaining 2.4% was influenced by factors not examined. Fcount value of 1990.740 with a significance of 0,000. Value $F_{table} = F(0.05; 97) = 3.09$. Because $F_{count} > F_{table}$

(1990.740 > 3.09) and significance $t < 0.05$ (0.000 < 0.05). Means $H_3 0$ is rejected and $H_3 > 0$ is accepted. This shows that the variable of sales promotion and service quality has a positive and significant effect on purchasing decisions at Giant Ekspres Pondok Cabe.

CONCLUSION

Based on the results of the study, it was found that sales promotion was proven to have a positive and significant effect on consumer purchasing decisions on the Giant Ekspres Pondok Cabe. Service quality is proven to have a positive and significant influence on consumer purchasing decisions at Giant Ekspres Pondok Cabe. There is a significant simultaneous effect between sales promotion and service quality on purchasing decisions at Giant Ekspres Pondok Cabe. This is indicated by the value of $F_{count} > F_{table}$ (1990,740 > 3.09) and significance of 0,000. The effect is based on the value of the R determination coefficient which is equal to 0.976. This means that variations in Sales Promotion and Service Quality variables explain the variation in the purchase decision variable is 97.6% and the difference of 2.4% is explained by factors that are not examined.

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