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# THE INFLUENCES OF PROMOTION MIX ON THE PURCHASE DECISION OF DAIHATSU XENIA CAR AT PT. ASTRA DAIHATSU INTERNATIONAL TBK PALEMBANG

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#### ABSTRACT:

Technological advances are currently developing very rapidly, Technological developments require companies to be able to adapt to follow technological advances. Automotive is one of the largest industries in Indonesia today. This industry contributes to trillions of rupiah in national income every year and creates jobs for thousands of our workers. The purpose of this research to determine how the influence of the promotional mix consisting of personal selling, sales promotion, advertising, direct marketing and public relations on the purchase decision of Daihatsu xenia at PT. Astra Daihatsu international Tbk Palembang. The data was collected through the dissemination of questionnaires to 100 respondents. This research data was analyzed using multiple linear regression analysis as well as t test and F test. The results of this study showed that partial personal selling, sales promotion, advertising, direct marketing, and public relations have a positive and significant effect on the decision to purchase Daihatsu Xenia cars. Similarly simultaneously these five variables have a positive and significant effect on the purchase decision of Daihatsu Xenia car at PT. Astra Daihatsu international Tbk Palembang

**Keywords:** Personal selling, sales promotion, advertising, direct marketing, public relation.

#### Introduction

Automotive is one of the largest industries in Indonesia at the moment, car is an automotive industry that is widely used by the public as a tool to meet various daily needed.

According to the chairman of the Indonesian Motor Vehicle Industry Association (Gaikindo) Yohanes Nangoi, Indonesia is feeling the effects of rapidly evolving automotive technology advances.

This is an opportunity utilized by car manufacturers by competing to produce, innovate, and offer various types of cars along with their latest technologies so that consumers buy the

products offered and keep their customers from turning to the same products from different companies (Uhing et al,2015).

Pt. Astra Daihatsu International Tbk Palembang Branch is the Official Dealer Center, Sole Agent of Daihatsu Car Holder, Distributor, and Supplier for Palembang area of South Sumatera.

Daihatsu issued cars include, Ayla, Gran Max, Gran Max Pickup, Luxio, Hi-Max, Sigra, Sirion, Terios, and Xenia. Palembang city has chosen by the company to expand its business considering the high demand for MPV cars in Indonesia.

According to Alex S. Nitisemito (2004:142), expansion is an action taken by the company to enlarge the company from a smaller size to a larger size due to the growing demand for its goods or services

The company is trying to boost sales especially for Daihatsu Xenia cars that have a large load capacity and are considered very suitable for families living in the second most populous city in Sumatra. Here is Daihatsu Xenia sales data in Palembang Year 2017-2019:.

Tabel 1. Daihatsu Xenia Sales Data 2017-2019

Month		Year	
Month	2017	2018	2019
January	15	16	8
February	21	9	11
March	9	6	6
April	13	18	7
May	5	7	4
June	5	11	9
July	20	23	13
August	9	21	6
September	14	14	12
October	10	23	6
November	18	15	8
Desember	24	29	5
TOTAL	163	192	95

Source: PT.Astra Daihatsu International Palembang

#### **Literature Review**

#### **Purchase Decision**

Purchase decision according to Kotler & Keller (2016). is a stage where prospective consumers have a choice and are ready to make a purchase or exchange between money and the promise to pay with the right of ownership or use of a goods or service. According to Kotler and Armstrong (2008:179-181), the purchasing decision-making process went through five stages. Stages of the decision-making process, namely: [1] problem recognition; [2] Search for information; [3] Alternative evaluation; [4] Purchasing decisions; [5] Post-purchase behavior.

#### **Promotion**

Promotion according to Basu Swasta & Irawan (2008:53) is basically a form of marketing communication aimed at encouraging demand. While the promotion according to Kotler and Keller (2013) states that promotion is a variety of ways that are done to inform,

persuade, and remind consumers directly or indirectly about a product or the brand being sold.

#### **Promotion Mix**

Promotional mix according to Peter, J. P & Donnelly, J. H (2007:111), i.e:

#### 1. Personal Selling

Means a direct communication that occurs between the seller to explain and provide information of a product to potential customers and form a customer's understanding of the product so that consumers are interested and will then try to buy it.

#### 2. Advertising

Advertising means any form of presentation and idea of promotion, non-personal goods or services by a particular sponsor that requires payment for the services provided..

#### 3. Sales Promotion

*Sales promotion* is a form of direct persuasion activities through the use of various incentives that can be arranged to stimulate consumers to purchase products.

#### 4. Public Relation

Public relations is a comprehensive communication effort conducted by a company to influence the perceptions, opinions, attitudes and beliefs of various communities or groups towards the company.

#### 5. Direct Marketing

It is an interactive marketing system that utilizes one or more ad media to elicit measurable responses or interactions in various places.

#### **Promotion Objectives**

Based on Subagyo (2010:133) promotional objectives include:

- 1. Informing, the company in conducting promotional activities has the main objective to inform the interests of the company related to customers can be carried out properly and maximally in order to be understood and clearly known by consumers.
- 2. Persuade and influence consumers; the purpose of a second promotional activity that will be carried out by the company is to try to persuade and influence the consumer or buyer who is intended to make a purchase of a product offered and provided by the company.
- 3. Reminding customers, the purpose of a third promotional activity that will be run by the company is to remind the intended customers so that the customers who have been customers and buy products offered by the company remain loyal and for the company to remain consistent to serve and meet the needs of customers wherever they are.

#### **Research Method**

This research uses a quantitative approach. Quantitative analysis technique is a data collection technique that uses statistical and number-shaped data analysis that aims to test the hypothesis that has been determined.

#### **Population and Sample**

The population in this study was pt. Astra Daihatsu International Tbk

palembang branch that purchased Xenia cars in 2017-2019 with a population of 450 consumers. The determination of samples in this study was carried out by sampling techniques of non probability purposive sampling type of 100 respondents.

#### **Data Collection Sources and Methods**

In this study researchers used primary and secondary data. Primary data is data obtained from respondents directly at the research site. Conducting the dissemination of questionnaires containing statements / questions related to the variables examined in this study. While the researchers obtained secondary data from PT. Astra Daihatsu International Tbk Palembang Branch, internet, books, and other scientific research.

#### **Data Analysis Method**

## **Multiple Linear Regression Analysis**

To find out if the relationship direction between free/independent variables with bound/dependent variables is negative or positive is used multiple linear analysis Multiple linear regression equations as follows:

	$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4 + b_5 X_5$
Y	= Dependent variable
a	= constant
$b_1 \ b_2 \ b_3 b_4 \ b_5$	= Coefficient of regression
$X_1$	= Personal Selling
$X_2$	= Sales Promotion
$X_3$	= Advertising
$X_4$	= Direct Marketing
$X_5$	= Public Relation

### Validity and Reliability Test

Validity test is used to measure the validity of a questionnaire using SPSS software while reliability test is done to show how far the measurement results remain consistent and stable. According to Sugiyono (2009), the questionnaire can be said to be reliabel if the questionnaire shows consistent results if the measurement is repeated with the same object. In this study the measurement using the help of SPSS software. Reliabillitas testing in this study using Cronbach Alpha technique. According to Ghozali (2008) a measuring instrument is called reliabel when cronbach alpha is greater than 0.6

#### **Normality and Multicolinearity Test**

According to Ghozali (2007: 110) normality test is done with free variable data to find out whether the population data is distributed normally or not, to find out whether or not the distribution of normality test data is done with the help of SPSS software using Kolmogorof Smirnov Test and multicolinearity test used to find out if there is no correlation between free variables (independent) in the regression model in the study.

#### t Test and F Test

- According to Privatno (2010:68), the T test is used to find out if in the free variable

regression model

- (X) it partially affects the bound variable (Y).
- F test in the study was conducted to find out if independent/free variables (X1, X2, X3, X4, X5) simultaneously have a significant influence on dependent/bound variables (Y) (Priyatno, 2010:67).

#### Correlation Coefficient (R) and R Square Determination Coefficient (R2)

Coefficient Test r aims to determine the closeness of the relationship between the influence of independent variables on dependent variables. R Square Determination (R2) Is the amount of independent/free variable contribution to dependent/bound variables. The coefficient of determination is between 0 and . If R2=0 or approaching (0) then there is not the slightest or weaker percentage of influence contributions given free variables against bound variables (Y), conversely if R2=1 or close to (1) then the percentage of donations given free variables to bound variables is getting stronger.

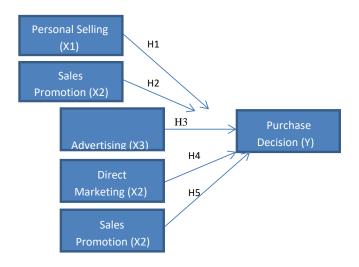


Figure 1. Research Framework (Source: processed data,2020)

#### **Results and Discussion**

#### **Description of Respondents' Characteristics**

Tabel 2	Description	of Respondents'	Characteristics
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Characteristics	Category	Frecuency	Percent	Total
Gender	Male	68	68.0	100
	Female	32	32.0	100
Age	< 35 years old	76	76.0	100
	$\geq$ 35 years old	24	24.0	100
Pendidikan	≤ High School	28	28.0	
	Diploma	58	58.0	100
	Bachelor	14	14.0	
Job	PNS	35	35.0	
	Swasta	20	20.0	100
	DLL	45	45.0	
Status	Married	88	88.0	100
	Single	12	12.0	100

Income	< 4 million	35	35.0	
	4-8 million	20	20.0	100
	> 8 million	45	45.0	

# **Multiple Linear Regression Analysis**

Tabel. 3 Multiple Linear Regression Analysis

		Unsta	ındardized	Standardized		
		Coeff	icients	Coefficients		
Mode	1	В	Std. Error	Beta	t	Sig.
1	(Constant)	.250	.319	.402	2.096	5.041
	Personal Selling (X1)	.690	.209	.642	4.321	1.013
	Sales Promotion (X2)	.702	.143	.742	4,398	3.008
	Advertising (X3)	.809	.098	.242	5.041	1.004
	Direct Marketing (X4)	.741	.167	.779	4.782	2.005
	Public Relation (X5)	.813	.100	.392	6.142	2.000

The multiplied linear regression equation of this study is as follows::

$$Y = a +b1X1+b2X2+b3X3+b4X4+b5X5$$

Y = 0.250 + 0.690X1 + 0.702X2 + 0.809X3 + 0.741X4 + 0.813X5

# Validity and Reliability Test

Tabel 4. Validity Test

No	Indikator	$r_{hitung}$	$r_{tabel}$	
1	Personal Selling 1	0,874	0,374	Valid
2	Personal Selling 2	0,900	0,374	Valid
3	Personal Selling 3	0,762	0,374	Valid
4	Personal Selling 4	0,768	0,374	Valid
1	Sales Promotion 1	0,962	0,374	Valid
2	Sales Promotion 2	0,885	0,374	Valid
1	Advertising 1	0,791	0,374	Valid
2	Advertising 2	0,743	0,374	Valid
1	Direct Marketing 1	0,845	0,374	Valid
2	Direct Marketing 2	0,716	0,374	Valid
1	Public Relation1	0,876	0,374	Valid
2	Public Relation2	0,816	0,374	Valid
1	Purchase Decision 1	0,958	0,374	Valid
2	Purchase Decision 2	0,907	0,374	Valid
3	Purchase Decision 3	0,846	0,374	Valid
4	Purchase Decision 4	0,844	0,374	Valid
5	Purchase Decision 5	0,972	0,374	Valid
6	Purchase Decision 6	0,807	0,374	Valid
7	Purchase Decision 7	0,831	0,374	Valid
8	Purchase Decision 8	0,928	0,374	Valid
9	Purchase Decision 9	<u>0,862</u>	0,374	<u>Valid</u>

10 Purchase Decision 10 0,899 0,374 Valid
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Based on the table above shows that all indicators of statements on each independent variable (personal selling, sales promotion, advertising, direct marketing, public relation) and dependent variables (purchasing decisions) are declared valid. (Corrected Item Total Correlation) > 0.374.

Tabel 5. Reliability Test

Variable	Cronbach's Alpha Ci	onbach's Alpha Star	ıdard
Personal Selling (X <sub>1</sub> )	0,972	0,60	Reliabel
Sales Promotion (X <sub>2</sub> )	0,961	0,60	Reliabel
Advertising (X <sub>3</sub> )	0,879	0,60	Reliabel
Direct Marketing (X <sub>4</sub> )	0,921	0,60	Reliabel
Public Relation (X <sub>5</sub> )	0,936	0,60	Reliabel
Purchase Decision (Y)	0,897	0,60	Reliabel

based on the table above, it is known that Cronbach's Alpha value for personal selling variables (X1), sales promotion (X2), advertising (X3), direct marketing (X4), public relations (X5) and purchasing decisions (Y) is above 0.60. So it can be concluded that the questionnaire items can be said to be reliabel.

#### **Correlation Coefficient (R) and R Square Determination Coefficient (R2)**

Tabel 6. Correlation Coefficient (R) and R Square Determination Coefficient (R2)

Model Summary					
Model R R Square Adjusted R Square Std. Error of the Estimate					
1	.742ª	.551	.543	.261	

Based on table 6 above, the result of correlation coefficient test output (r) shows that the influence of personal selling variables (X1), sales promotion (X2), advertising (X3), direct marketing (X4), public relation (X5) is 0.742 or 74.2% against the variable purchasing decision is at a strong relationship level. While the number of R square (R2) is 0.551, this result means the variable personal selling (X1), sales promotion (X2), advertising (X3), direct marketing (X4), public relations (X5) has a contribution of 55.1% to the decision to purchase Daihatsu Xenia cars at PT. Astra Daihatsu international tbk Palembang branch and the other 44.9% were influenced by other variables that were not examined in this study.

#### T Test

Based on table 3 Personal selling (X1) shows the result that the significance value for X1 to Y is  $0.013 < \alpha = 0.05$ , Sales promotion(X2) shows the result that the significance value for X2 to Y is  $0.008 < \alpha = 0.05$ , Advertising (X3) shows the result that the significance value for X3 to Y is  $0.004 < \alpha = 0.05$ , Direct marketing (X4) shows the result that the significance value for X4 to Y is  $0.005 < \alpha = 0.05$ , Public relation (X5) indicates the result that the significance value for X5 to Y is  $0.000 < \alpha = 0.05$ . So it can be concluded that all variables have a positive and significant effect on purchasing decisions.

Tabel 7. F Test

	Variance Analysis							
Model		Sum of Squares	df	Mean Square	F	Sig.		
1	Regression	4.527	1	4.527	66.291	.000a		
	Residual	3.687	54	.068				
	Total	8.214	55					

a. Predictors: (Constant), Personal Selling, Sales Promotion, Advertising, Direct Marketing, Public Relation

From the F test above, obtained the calculated F number is 66,291 with a Significant number of 0.000. We can see in the table above based on the significant value F of 0.000 < 0.05. Thus it can be said that personal selling (X1), sales promotion (X2), advertising (X3), direct marketing (X4), public relations (X5) together (simultaneously) have a positive and significant influence on dependent variables, namely purchasing decisions. therefore, it is expected that the company can continue to maintain and improve its public relations / public relations in order to create good relations in the long term with consumers.

#### **Conclusion and Implications**

This research was conducted to find out how the influence of personal selling, sales promotion, advertising, direct marketing, public relations on the decision to purchase Daihatsu Xenia cars on PT. Astra Daihatsu international tbk Palembang . Based on the results of research that has been done, it can be concluded as follows:

Personal selling, sales promotion, advertising, direct marketing and public relations variables partially affect positively and significantly on purchasing decisions, simultaneously personal selling, sales promotion, advertising, direct marketing and public relations have a positive and significant effect on the decision to purchase a Daihatsu Xenia car at PT. Astra Daihatsu international tbk Palembang.

The results of the above research are in line with and supported by research conducted by Putra et al (2017).

Public relation variables have the most dominant influence on purchasing decisions.

PT. Astra Daihatsu international tbk Palembang is expected to further increase personal selling variables. Sales person must actively offer test drive to consumer, this can help consumer convince themselves that the car is the car chosen and needed. and for the company is expected to maintain public relations variables so that the company can maintain a good long-term relationship with its customers, so that customers will continue to make purchases at PT. Astra Daihatsu international tbk Palembang.

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