

The Effect of Advertising and Sales Promotion Decisions for Purchases of Samsung Smartphone Products in the City of Lhokseumawe

T. Edyansyah¹, Nasir Azis², Rusydi Abubakar¹ and Adnan Khairina¹

¹ Faculty of Economics and Business, Universitas Malikussaleh, Aceh, Indonesia

² Faculty of Economics and Business, Universitas Syiah Kuala, Banda Aceh, Indonesia

Abstract. The purpose of this study was to determine the effect of advertising and sales promotion on purchasing decisions of Samsung Smartphone products in Lhokseumawe. The population in this study is consumer who buys Samsung Smartphone products. Data collection techniques used were questionnaires, field research and literature studies. Data analysis method used is multiple linear regressions. The author distributes questionnaires to 100 consumers who buy Samsung Smartphone products in Lhokseumawe. From the partial test results (t test), advertising variables (X1) significantly influence the purchase decision. For the variable sales promotion (X2) significantly influence the purchase decision. For simultaneous testing, the independent variables consisting of advertising (X1) and sales promotion (X2) significantly influence the purchase decision variable (Y) of Samsung smartphone products in Lhokseumawe.

Keywords: Advertising · Sales promotion · Purchasing decisions

1 Introduction

Cellular phones are developments of landline phones that can be carried anywhere; it can help human activities not only to call but also can send text, browsing on internet, listen to music, and even capture and take the photos of human activities with camera. The longer the mindset of consumers will always change according to the times. The phenomenon that occurs at this time is that Samsung Smartphone products are faster in terms of modernizing their latest type and series, therefore intense promotion is needed for consumers that consumers become aware of the latest Samsung Smartphone products. In other hand, the customers cannot understand quickly the release of the latest types or series of Samsung Smartphone products due to less proactive to find out about Samsung Smartphone products promotion in Lhokseumawe.

Smartphone companies that operate their products in Indonesia consist of various brands such as Nokia, Samsung, Sony Ericsson and others, they are competing to introduce each other's products with the right promotion and trying to attract the attention of consumers. One of the smartphone brands in Indonesia is Samsung. Samsung smartphone is one of the international smartphone brands manufactured in Japan.

Promotional activities carried out by the Samsung Smartphone Company are a means for companies to inform their products, especially new products to the public, so that their products can be recognized by the public at large and embedded in the minds of consumers who will then be interested and persuaded to make a purchase.

Samsung smartphones are quite popular in the market because they are considered capable of providing economic value to their customers, with a nominal price that is relatively cheap, but there are already features that should be owned by brands that are quite expensive for companies other than Samsung, as a simple example, the features available in Samsung smartphones include cameras, video players, mp3s and radios. When compared to a number of other brands, smartphone brands that have features like that can be much more expensive, therefore the Samsung brand is quite an idol for many people.

Based on the above research background, the problem can be formulated, namely (1). How does advertising and sales promotion influence the purchasing decision of Samsung Smartphone products in Lhokseumawe City? (2). Which factor has the dominant influence between advertising and sales promotion on the decision to purchase Samsung Smartphone products in Lhokseumawe City?

2 Literature Review

2.1 Definition of Promotional Mix

According to Kotler and Armstrong (2008), the promotion mix is a specific mix of advertising, sales promotion, public relations, personal selling and direct marketing tools that companies use to communicate persuasive consumer value and build customer relationships.

Direct marketing: Direct relationships with individual consumers who are carefully targeted to get an immediate response and build lasting customer relationships. This promotional mix is used to communicate the company's activities to consumers. Effective communication will change the behavior of consumers and will strengthen the behavior that has been changed before.

2.2 Definition of Advertising

Advertising is all forms of paid non-personal presentation and promotion of ideas, goods, or services with certain sponsors (Kotler and Armstrong, 2008). As revealed by Shimp (2008) Advertising is paid communication, which is used to develop attitudes, create awareness and send information to get responses from target markets.

According to Saladin (2003), interpreting advertising is all forms of non-personal presentation and promotion of ideas, promotion of goods or services paid by sponsors. Meanwhile according to Kasali (2007) defines print media advertising as a static media and prioritizing visual messages.

The purpose of advertising according to Kotler and Armstrong (2008) is a specific communication task that is achieved with a specific target market over a certain period of time. The purpose of advertising is classified based on the main purpose of

informing, persuading, or reminding. Informative advertising is used when introducing new product categories, the purpose of which is to build new demand. Reminder advertising helps maintain customer relationships and keeps consumers thinking about products. The purpose of advertising is to move consumers through the stage of buyer readiness, there are six stages in which consumers will be driven.

To reach the target audience according to Sambriana (2005), advertisers will use various types of media, both print and electronic media. The most commonly used advertising media are television, cinema, radio, newspapers, magazines, outdoor advertisements and other options such as the internet, various commercial screens installed on the highway and so on.

2.3 Definition of Sales Promotion

Sales promotion is a short-term incentive to encourage the purchase or sale of a product or service. Advertising offers a reason to buy a product or service, while a sales promotion offers a reason to buy the product or service now. (Kotler and Armstrong, 2008). According to Lupiyoadi (2006), sales promotions are all activities intended to increase the flow of goods or services from producers to final sales. Sales promotion can help achieve a number of targets, including encouraging new product trials, can increase supplementary purchases, can help build customer loyalty by determining brand buying patterns on a regular basis and can motivate distributors and salespeople.

The main sales promotion tools according to Kotler and Armstrong (2008) include product samples (a number of products to try), coupons (certificates that provide savings to buyers when they buy certain products), cash returns (price reduction occurs after purchase), special prices (called also a reduction in prices, offering official product price savings to consumers), premiums (goods offered for free or at low prices as an incentive to buy products, ranging from toys that are inserted into children's products), special goods advertisements (also called products promotion, in the form of useful accessories printed with the advertiser's name, symbol or message given as gifts to consumers including pens, cups, calendars and so on), support awards (cash awards or other awards given to regular users of products or services specific company), promotion of point of purchase and sweepstakes and games (opportunity win something like cash, travel, or goods, through luck or a business).

2.4 Definition of Buying Decision

According to Stanton (2005), purchasing decisions are a series of decisions taken by consumers to buy to see brands, prices, colors and so on. Meanwhile, according to Kotter (2005), providing a definition of a purchase decision is a decision taken regarding the certainty of whether to buy or not.

The purchase decision is the consumer's decision to buy a product after previously thinking about the appropriateness of buying the product by considering the information he knows about the reality of the product after he witnessed it. The results of that thinking are influenced by the strength of the consumer's will to buy as an alternative to the purchase decision term proposed by Setiadi (2010).

Purchasing decisions are a reason about how consumers make choices about the purchase of a product that suits their needs, desires and expectations, so that it can lead to satisfaction or dissatisfaction with the product that is influenced by several factors including family, price, experience and product quality (Mowen and Minor, 2008: 18). According to Schiffman and Kanuk (2009) defining a purchasing decision is a decision as the choice of an action of two or more alternative choices. In other words in order for someone to make a decision there must be an alternative choice available.

3 Research Methods

This research was conducted in Lhokseumawe with the object of the research being consumers who bought Samsung Smartphone products. The population who bought Samsung Smartphone products with a total of 15461 Samsung Smartphone consumers as the population data in this study; (Source: Cellphone Shops in Lhokseumawe City, 2016). Based on the calculation of the Slovin formula, the number of samples obtained for this research is 100 samples with data collection technique is questionnaire, field research and literature study.

3.1 Operational Definition of Variables

1. Advertising (X1) is all forms of paid personal non-presentation and promotion of ideas, goods, or services with certain sponsors.
2. Sales promotion (X2) is a short-term incentive to encourage the purchase or sale of a product or service.
3. Purchasing decision (Y) is to buy the most preferred brand from various alternatives.

3.2 Data Analysis Techniques

This analysis is to predict the value of the dependent variable if the value of the independent variable increases or decreases and to determine the direction of the relationship between the independent variable and the dependent variable whether each independent variable is positively or negatively related. To test the hypothesis of the influence of the promotion mix on purchasing decisions (Y). The formulas used in this study is:

$$Y = a + b_1X_1 + b_2X_2 + e$$

Description

- Y = Buying Desicion
- X₁ = Advertising
- X₂ = Selling Promotion
- a = Constant
- b₁, b₂ = Regression Coefficient
- e = *Error term*

3.3 Test of Hypothesis

1. Partial Test (t test)

- a. If $t_{count} > t_{table}$, then advertising (X1) and sales promotion (X2) partially have a significant effect on purchasing decisions (Y).
- b. If the value of $t_{count} < t_{table}$, then advertising (X1) and sales promotion (X2) partially have no effect on purchasing decisions (Y).

2. Simultan Test (F test)

- a. If $F_{count} > F_{table}$, then advertising (X1) and sales promotion (X2) simultaneously influence the purchase decision (Y).
- b. If $F_{count} < F_{table}$, then advertising (X1) and sales promotion (X2) simultaneously have no effect on purchasing decisions (Y).

4 Results and Discussion

4.1 Validity Test

The following is a comparison of the calculated value with r table can be seen in the table as follows:

Table 1. Result of Validity Test.

No	Variable	r_{count}	r_{table}
1	Advertising (X ₁)		0,1975
	X.1.1.	0,868	
	X.1.2.	0,842	
	X.1.3.	0,859	
2	Selling Promotion (X ₂)		0,1975
	X.2.1.	0,845	
	X.2.2.	0,792	
	X.2.3.	0,785	
	X.2.4.	0,808	
	X.2.5.	0,735	
3	Selling Decicion (Y)		0,1975
	Y ₁ .	0,743	
	Y ₂ .	0,854	
	Y ₃ .	0,735	
	Y ₄ .	0,780	
	Y ₅ .	0,854	

4.2 Reliability Test

The following is the Cronbach Alpha (α) value with the help of SPSS can be seen in the table as follows:

Table 2. Reliability of Research Variables.

No	Variabel	Value (α)	Number Question	Description
1	Advertising (X_1)	0,703	3	Reliable
2	Selling Promotion (X_2)	0,724	5	Reliable
3	Buying Decicion (Y)	0,728	5	Reliable

From this table it can be explained that the measurement of the Cronbach Alpha value of the research variables fulfills the assumptions and can be said to be reliable because it provides a Cronbach Alpha value > 0.60 .

4.3 Analysis of Coefficients Multiple Regression

Table 3. Result Analysis of Coefficients Multiple Regression.

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.727	.249		6.939	.000
Advertising	.255	.078	.208	2.990	.000
Selling Promotion	.426	.088	.506	4.835	.000

a. Dependent Variable: Buying Decicion

The results of multiple linear regression analysis can be seen as follows:

$$Y = 1,727 + 0,255X_1 + 0,426X_2 + e$$

The following are the results of calculations on the independent variables of this study:

1. At the coefficient value of the advertising variable (X_1) has a value of 0.255 which means that if the advertising variable increases by one percent, there will be an increase in purchasing decisions (Y) of 0.255.
2. The coefficient on the sales promotion variable (X_2) has a value of 0.426, which means that if the sales promotion variable increases by one percent, there will be an increase in purchasing decisions (Y) of 0.426.

4.4 The Value of Correlation Coefficients and Determination Coefficients

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.668 ^a	.446	.435	.38506

a. Predictors: (Constant), Selling Promotion, Advertising

b. Dependent Variable: Buying Decicion

From the results of this study it can be seen that the coefficient value R (correlation) is obtained for 0.668, which means that the relationship between advertising (X1) and sales promotion (X2) to the purchase decision (Y) has a relationship of 66.8%. From the test, it is obtained the Adjusted R² value of 0.435, which means that the influence of advertising (X1) and sales promotion (X2) on purchasing decisions (Y) of 0.435 or (43.5%). While the remaining 0.565 or (56.5%) is influenced by other factors outside the research model (error term).

4.5 Test of Hypothesis

1. Partial Test (t test)

- a. For the advertising variable (X1), the value of tcount is 2.990 > 1.984, where the advertising variable (X1) has a significant effect on the purchase decision variable (Y).
- b. For the sales promotion variable (X2), the value of tcount is 4,835 > t table 1,984, where the sales promotion variable (X2) significantly influences the purchase decision variable (Y).

2. Simultan Test (F test)

From the results of SPSS data processing, a Fcount value of 39.043 was obtained. Then the value of Fcount 39.043 > Ftable 3.09, meaning that simultaneously or simultaneously the independent variable consisting of advertising (X1) and sales promotion (X2) has a significant effect on purchasing decisions (Y), with a significance level of 0,000.

5 Conclusion

1. The advertising variable (X1) influences the purchase decision variable (Y).
2. Sales promotion variable (X2) influences the purchase decision variable (Y).
3. For simultaneous testing, the independent variables consisting of advertising (X1) and sales promotion (X2) have a significant effect on purchasing decisions (Y).

References

- Alma, Buchari. (2007). *Manajemen Pemasaran dan Pemasaran Jasa*. Edisi Revisi. CV Alfabeta. Bandung.
- Arikunto, Suharsimi. (2012). *Prosedur Penelitian: Suatu Pendekatan Praktis*. Edisi Revisi. Rineka Cipta. Jakarta.
- Armayanti, Denti. (2009). *Pengaruh Bauran Promosi Terhadap Keputusan Konsumen Dalam Membeli Laptop (Studi pada Pengguna Laptop Toshiba di Program Pascasarjana Universitas Negeri Malang)*. Universitas Negeri Malang.
- Asri, Marwan. (2010). *Marketing*. Edisi Pertama, Unit Penerbitan dan Percetakan AMP YKPN. Yogyakarta.
- Assauri, Sofjan. (2010). *Manajemen Pemasaran: Dasar, Konsep dan Strategi*. PT. Raya Grafindo Persada. Jakarta.
- Ghozali, Imam. (2013). *Aplikasi Analisis Multivariat Dengan Program SPSS*. Universitas Diponegoro. Semarang.
- Kartanegara. (2006). *Keputusan Konsumen Menggunakan Produk dan Pemasaran Produk*. Penerbit Liberty. Yogyakarta.
- Kasali, Rheinaldy. (2007). *Manajemen Periklanan: Konsep dan Aplikasi*. Penerbit Pustaka Utama Grafiti. Jakarta.
- Kotler, Philip. (2005). *Manajemen Pemasaran*. Terjemahan Benyamin Molan. Prenhallindo. Jakarta.
- Kotler, Philip dan Armstrong, Gary. (2008). *Prinsip-Prinsip Pemasaran*. Erlangga. Jakarta.
- Kotler, Philip dan Keller, Kevin Lane. (2009). *Manajemen Pemasaran*. Jilid 1 dan 2. Erlangga. Jakarta.
- Kuncoro, Mudrajat. (2009). *Metode Kuantitatif: Teori dan Aplikasi untuk Bisnis dan Ekonomi*. UPP-AMP YKPN. Yogyakarta.
- Lupiyoadi, Rambat. (2006). *Manajemen Pemasaran Jasa teori dan Praktik*. Penerbit Salemba Empat. Jakarta.
- Mowen, John dan Michael Minor. (2008). *Perilaku Konsumen*. Jilid 1. Alih Bahasa Dwi Kartini Yahya. Erlangga. Jakarta.
- Saladin, Djaslim. (2003). *Intisari Pemasaran dan Unsur-unsur Pemasaran*. Linda Karya. Bandung.
- Sambriana, Habibah. (2007). *Sales Representative dalam Promosi Produk*. Penerbit Eka Persada. Jakarta.
- Santoso, Adi Mulyo. (2005). *Riset Pemasaran – Promosi Penjualan*. Penerbit Gramedia Pustaka. Jakarta.
- Satriya, Saputra. (2007). *Pengaruh Bauran Promosi Terhadap Keputusan Pembelian Konsumen Di Dealer Sentral Yamaha Blitar*. Jurusan Manajemen Fakultas Ekonomi Universitas Negeri Malang.
- Schiffman, Leon G., dan Kanuk, Leslie Lazar. (2009). *Perilaku Konsumen*. Alih bahasa Zulkifli Kasip. PT. Indeks Group Gramedia. Jakarta.
- Setiadi, Nugroho, J. (2010). *Perilaku Konsumen*. Prenada Media. Bandung.
- Shimp, Terence A. (2008). *Periklanan Promosi*. Jilid II, Edisi Kelima. Erlangga. Jakarta.
- Simamora, Bilson. (2004). *Riset Pemasaran*. Edisi Pertama. Gramedia Pustaka Utama. Jakarta.
- Stanton, William J. (2005). *Prinsip Pemasaran*. Cetakan Ketujuh. Penerbit Erlangga. Jakarta.
- Sugiyono. (2012). *Metode Penelitian Bisnis*. CV Alvabeta. Bandung.
- Sutisna. (2010). *Perilaku Konsumen dan Komunikasi Pemasaran*. Rosda Karya. Bandung.
- Swastha, Basu dan Irawan. (2007). *Manajemen Pemasaran Modern*. Liberty. Yogyakarta.
- Tjiptono, Fandy. (2008). *Strategi Pemasaran*. Andi. Yogyakarta.
- Umar. (2011). *Metode Penelitian Ilmiah*. Penerbit Rineka Cipta. Jakarta.
- Winardi. (2009). *Strategi Pemasaran*. Cetakan Pertama. Penerbit Mandar Maju. Bandung.
- <http://bappedalhokseumawe.web.id/lhokseumawe-dalam-angka> (Diakses tanggal 8 Januari 2016).