

THE INFLUENCE OF COMMUNICATION, PERSONAL SELLING, AND BRAND IMAGE ON PURCHASING DECISIONS ON PT AUTO2000 RANTAU PRAPAT

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ABSTRACT

Various kinds of factors that influence a person's consumption to make a purchase decision on a product or service are an important process in marketing or business success. Through these marketing process activities, companies are required to be able to understand all changes that occur in the field related to consumer behavior in order to develop the right strategy in controlling the target or target market. Purpose of this study is to re-evaluate the findings of previous research through communication variables, personal selling, and brand image and their influence on purchasing decisions for Toyota cars at PT Auto2000 Rantauprapat. This research uses descriptive quantitative with a sample of 96 respondents with purposive sampling technique and is assisted by SmartPLS 4 in data processing. Results obtained in this study that the variables of Communication, Personal Selling and Brand Image have a positive and significant effect on Purchasing Decisions.

Keywords: Brand Image, Communication, Personal Selling.

INTRODUCTION

Factors that influence a person's consumption to make a product or service purchase decision are an important process in marketing or business success. Through the activities of the marketing process, companies are required to be able to understand all changes that occur in the field related to consumer behavior in order to develop the right strategy in controlling the target or target market. The key to business strategy is not only about product quality or good service but also one's genius in developing market strategies. Therefore, purchasing decisions are a sacred phenomenon in a scientific study in the field of marketing management science. A big marketing case that is currently worth researching is related to car sales. The reason car sales are high is because of the high demand from consumers and behind high sales and demand there are certainly factors or things that encourage consumers to want it. According to Gaikindo at the beginning of 2023 car sales reached a total of 95,067 units and at the beginning of 2024 car sales reached a total of 140,275 units or experienced a significant increase. (Yogatama, 2024). This data is data on car sales of all brands in Indonesia, so it does not show the sales of certain cars. On the other hand, car sales data by brand in 2024 is still controlled by Toyota, this Japanese car manufacturer scored a wholesales sales volume of 20,988 units or contributed 30.1% of national sales. (Muhamad, 2024). According to a study by (Hoque et al., 2013) The high interest in Toyota cars is because as a large company Toyota has marketing experience and contributes to gaining a

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large market share and brand image for its innovative technology. Almost different from the conditions 10 years ago according to (Du, 2023) The high interest in Toyota brand cars is that Toyota has the highest price-to-earnings ratio compared to other competitors, so it can be concluded that Toyota has a high stock return and high investment value which reflects different business conditions and has a future. This means that these two studies have very strong arguments where Toyota as a large company and experience is unquestionable regarding its business systems and strategies or management so that it has a high stock return value.

The phenomenon of Toyota car sales is increasingly interesting to study, one of the companies trusted as the official distributor of Toyota car sales in Indonesia is PT Auto2000 Indonesia, which has 126 outlets throughout Indonesia including in Labuhanbatu-Rantauprapat Regency. PT Auto2000 Rantauprapat is located on Jl. SM. Raja is a very strategic place in the heart of Rantauprapat, making it easier for anyone to visit and receive after-sales service. According to data on Toyota car sales of PT Auto2000 Rantauprapat in May 2024 as many as 134 units slightly decreased compared to May 2023 as many as 245 units, this is the basis for this research to be carried out to find out the root of the problem in the field. According to PT Auto2000's internal sources, the decline was due to the economic level of the community, but on the other hand because the marketing strategy was limited. According to various studies (Samson et al., 2014) found that communication is a source of online digital communication and considers it reliable and useful, television advertisements and word of mouth play the most role in encouraging potential buyers. According to (Widyana & Navisa, 2024) Personal selling is a delivery that is carried out orally to one or more people which aims to lure them into making a purchase. According to (Yusuf et al., 2022) the results showed that brand image, price, service, product quality and promotional activities have a significant positive influence by encouraging an increase in consumer interest in car purchases. Different according to (Iyad A.Khanfar, 2016) that the findings show that there is a positive effect of advertising, personal selling, sales promotion, and public relations on consumer purchasing decisions. (Zakawerus & Mananeke, 2021) that this study found that simultaneously brand image, product quality, and price perceptions affect the purchase decision of Toyota Avanza during the PPnBM policy period. Separately or partially only brand image has no effect on consumer purchasing decisions. Therefore, the Toyota Avanza brand image must continue to be improved even though it is well known. Based on the analysis of references and the literature review system carried out, it was found that the contribution of the right variables influenced the decision to purchase a Toyota car, the author concluded that communication, personal selling and brand image are strong indicators that have so far become the reason consumers choose Toyota cars. However, further analysis is needed on what has become the foundation of this research, especially what is faced by PT Auto2000 Rantauprapat. According to (Markovic & Salamzadeh, 2018) that communication as a management function is the process of creating, communicating and interpreting ideas, facts, opinions and feelings about job performance, organizational effectiveness and efficiency and achievement goals in the organization. Communication in marketing is important for any business because it informs consumers about the business and the products and services it offers. (Kallier & Cant, 2016). According to (Prajapati, 2019) personal selling is a face-to-face sales presentation to potential customers. Personal selling

provides detailed explanations or product demonstrations. This ability is especially needed for new goods and services. According to (Ge & Ge, 2023) brand image is closely related to brand awareness and brand loyalty. Brand image marketing increases brand awareness and recognition through various means and activities, thereby increasing consumer loyalty and willingness to buy brands. Therefore, the purpose of this study is to re-evaluate the findings of previous research through the variables of communication, personal selling and brand image and their influence on purchasing decisions for Toyota cars at PT Auto2000 Rantauprapat. The novelty finding carried out in this study is the selection of indicators for each variable that refers to the systematic literature review (SLR) so that there will be differences between previous studies with a more accurate statistical analysis approach with SmartPLS.

METHOD

Research Design

This research uses a quantitative descriptive approach which is research to provide a clear and detailed description of the data that has been collected, so that it can facilitate interpretation and decision making based on existing data. Therefore, quantitative descriptive statistics are very useful in various fields such as social sciences, economics, and science, where quantitative data is often an important component in analysis and decision making. (Aziza, 2023). This research uses a systematic literature review (SLR) is to identify, review, evaluate, and interpret all available research with the topic area of the phenomenon of interest, with certain relevant research questions. The subject of this research is PT Auto2000 Rantau prapat. The population of this study were all consumers of PT Auto2000 Rantau prapat, as for knowing the sample in research where the population is unknown, according to (Sugiyono, 2007) is the formula:

$$n = \frac{Z^2 \times P(1-P)}{d^2} \quad n = \frac{1,96^2 \times 0,5(1-0,5)}{0,1^2} = 96 \text{ Responden}$$

Description:

n = number of samples

Z = confidence level = 1.96

P = maximum estimate 0.5

d = alpha (0.10) with 10% sampling error

The study used purposive sampling technique in sampling which can help researchers in determining the criteria of respondents. Data collection is done by distributing questionnaires to consumers via google form and using a Likert scale in the answers to the statements. In this study, researchers used SmartPLS 4, and data processing techniques using Partial Least Square (PLS).

RESULTS

Outer Model

To determine the outer model, there are three criteria, namely Convergent Validity, Discriminant Validity, and Composite Validity.

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Volume 2, Issue 1, 2024

“Human Resource Transformation and Collaborative Innovation to Build Independent and Competitive Business in the Digital Era”

Convergent Validity

In assessing Convergent Validity, it must show that there is a positive correlation between the related concentration measures. The expected value exceeds the number > 0.70 .

Table 1. Outer Loadings

	Brand Image (X3)	Purchase Decision (Y)	Communication (X1)	Personal Selling (X2)
BI1	0.840			
BI2	0.857			
BI3	0.821			
K1			0.760	
K2			0.808	
K3			0.741	
K4			0.718	
K5			0.826	
KP1		0.708		
KP2		0.863		
KP3		0.850		
KP4		0.825		
PS1				0.891
PS2				0.869
PS3				0.858
PS4				0.825

Source: Data processing with SmartPLS, 2024

Based on the measurement results shown in Table 1, it can be seen that the value of the outer loadings above is > 0.70 , which means that the constructs for all variables are suitable for testing.

Discriminant Validity

This measurement model is considered good if the loading value of each latent variable indicator is higher than the loading value of each other latent variable indicator.

Table 2. Discriminant Validity (Cross Loading)

	Brand Image (X3)	Purchase Decision (Y)	Communication (X1)	Personal Selling (X2)
BI1	0.840	0.633	0.615	0.725
BI2	0.857	0.650	0.638	0.655
BI3	0.821	0.692	0.593	0.698
K1	0.524	0.588	0.760	0.608
K2	0.591	0.655	0.808	0.611
K3	0.508	0.506	0.741	0.482
K4	0.442	0.448	0.718	0.453
K5	0.712	0.714	0.826	0.719
KP1	0.410	0.708	0.510	0.498

Proceeding 2nd Medan International Economics and Business

Volume 2, Issue 1, 2024

“Human Resource Transformation and Collaborative Innovation to Build Independent and Competitive Business in the Digital Era”

KP2	0.689	0.863	0.646	0.688
KP3	0.740	0.850	0.722	0.710
KP4	0.665	0.825	0.602	0.648
PS1	0.740	0.678	0.696	0.891
PS2	0.704	0.685	0.703	0.869
PS3	0.777	0.723	0.587	0.858
PS4	0.612	0.630	0.632	0.825

Source: Data processing with SmarsPLS, 2024

Composite Reability and Average Variance Extracted (AVE)

In this measurement model, the AVE value must have a value > 0.50 and a composite reliability value > 0.70 , then Discriminant Validity and Composite Reliability are said to be good.

Table 3. Composite Reability and Average Variance Extracted (AVE)

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Brand Image (X3)	0.790	0.790	0.877	0.704
Purchase Decision (Y)	0.830	0.849	0.886	0.662
Communication (X1)	0.831	0.847	0.880	0.595
Personal Selling (X2)	0.883	0.886	0.920	0.741

Source: Data processing with SmartPLS, 2024

Inner Model

Inner model is a structural model used to test causal relationships and hypothesis testing.

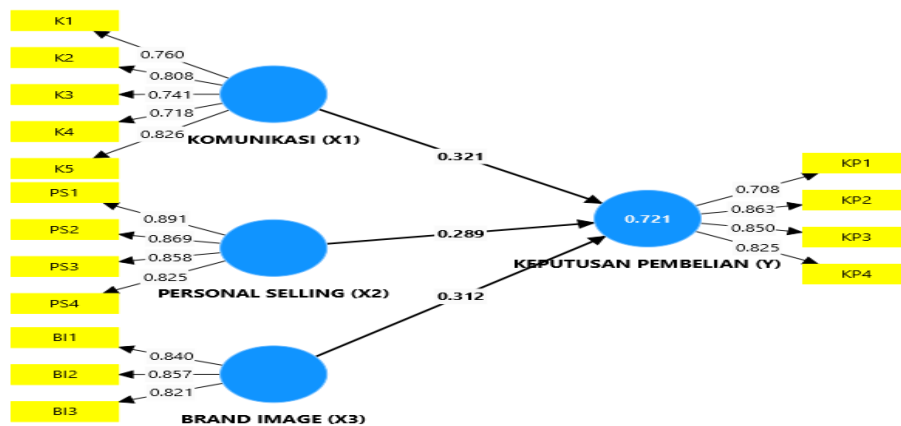


Figure 1. Structural Model

Proceeding 2nd Medan International Economics and Business

Volume 2, Issue 1, 2024

“Human Resource Transformation and Collaborative Innovation to Build Independent and Competitive Business in the Digital Era”

From the results of the picture above PLS R-Square shows the amount of construct variance. The results of the calculation of the R-Square value are as follows:

Table 4. R-Square Value

	R-square	Adjusted R-square
PURCHASE DECISION (Y)	0.721	0.712

Source: Data processing with SmartPLS, 2024

Based on the results of table 4, the purchase decision has an R-square value of 0.721 and an adjusted R-square of 0.712, which means that the effect of Communication (X1), Personal Selling (X2), and Brand Image (X3) on Purchasing Decisions (Y) is 0.712 or 71.2%, where the adjusted R-square is more than 50%, it can be said that the influence of all exogenous constructs is moderate.

Hypothesis Testing of Direct Influence

Hypothesis testing in this study is basically adrift of the value contained in the Result for Inner Weights results, the following results are displayed in the table below:

Table 5. Result for Inner Weights

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
BRAND IMAGE (X3) -> PURCHASE DECISION (Y)	0.312	0.310	0.122	2.559	0.011
COMMUNICATION (X1) -> PURCHASE DECISION (Y)	0.321	0.324	0.095	3.395	0.001
PERSONAL SELLING (X2) -> PURCHASE DECISION (Y)	0.289	0.285	0.144	1.998	0.046

Source: Data processing with SmartPLS, 2024

Based on the results of the table above, it can be concluded that: Communication has a positive effect on purchasing decisions, because the t-statistic value is 2.559 > from the t-table value of 1.986 and the P value is 0.011 < 0.05, which means that hypothesis 1 is accepted. Personal selling has a positive effect on purchasing decisions, because the t-statistic value is 1.998 > from the t-table value of 1.986 and the p value is 0.046 < 0.05, which means that hypothesis 2 is accepted. Brand image has a positive effect on purchasing decisions, because the t-statistic value is 2.559 > from the t-table value of 1.986 and the p value is 0.011 < 0.05, which means that hypothesis 3 is accepted.

DISCUSSION

Communication variables have a positive effect on purchasing decision variables

Based on the results of the data test, that communication has a positive effect on purchasing decisions with a t-statistic value of 2.559 > from the t-table value of 1.986, which

means Hypothesis 1 is accepted. Communication is a process of exchanging information, in marketing, communication is also a means for companies to convey products, and to influence consumers. In this way, communication is very important in the marketing process, because with the right communication to consumers it can influence purchasing decisions. Through communication, consumers are also easy to find out about the products marketed by the company. Therefore, the communication carried out by Auto2000 Rantau prapat can be said to reach consumers. This is in line with several previous studies (Salim et al., 2022), (Furqan & Akbar, 2022), and (Ana et al., 2021) which states that communication has a positive effect on purchasing decisions.

Personal selling variables have a positive effect on purchasing decision variables

Based on the results of the data test, that personal selling has a positive effect on purchasing decisions with a t-statistic value of $1.998 >$ from the t-table value of 1.986, which means that Hypothesis 2 is accepted. Delivery that is carried out verbally to one or more people who aim to lure in order to make a purchase is the purpose of personal selling. By demonstrating a product which is part of personal selling activities, consumers are easily attracted to buy or know the product. (Bakti & Setiawan, 2021). Convincing others and looking neat is the main foundation of personal selling in marketing a product. Therefore, by carrying out good personal selling activities, it will influence consumer purchasing decisions. (Januardi et al., 2023). That way this research is in accordance with previous research (Prayitno & Kusdyah, 2023) which states that personal selling has a positive effect on purchasing decisions.

Brand image variables have a positive effect on purchasing decision variables

Based on the results of data testing, that brand image has a positive effect on purchasing decisions with a t-statistic value of $2.559 >$ from the t-table value of 1.986, which means Hypothesis 3 is accepted. Brand image is an image that is felt by consumers when remembering a brand of product. (Arianty & Andira, 2021). Brand image marketing can increase brand awareness and recognition through various methods and activities, so as to increase consumer loyalty and willingness to buy a brand. Brand image influences purchasing decisions, with a positive image of a product, consumers will accept it more easily than a bad one. (Rosmayanti, 2023). Previous research is also in line that there is a positive influence between brand image on purchasing decisions. (Ghoni & Soliha, 2022).

CONCLUSION

In the results of this study, that the consumers who make the most car purchases at Auto2000 Rantauprapat are consumers aged between 26-35 years as much as 35.41%, which has an impact on communication, personal selling, and brand image carried out by companies in marketing products. From this study it can also be concluded that the effect of communication, personal selling, and brand image has a positive and significant effect on purchasing decisions.

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