



THE INFLUENCE OF PROMOTION AND QUALITY SERVICES ON PURCHASING DECISION FOR ELECTRONIC TRANSACTION SERVICE AT ALFAMIDI KUTABUMI

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Abstract

The title of this research is "the impact of promotion and quality services on purchasing decision for electronic transaction service at alfamidi kutabumi". this study aims to determine the significance of the effect of promotion and service quality partially and simultaneously on electronic transaction decisions at Alfamidi Kutabumi. This study uses quantitative methods, the number of populations is not known for sure so that based on the Rao Purba formula, the number of samples is 96.4 and is rounded up to 100 respondents by the researcher. Technical analysis of instrument test data (validity test, reliability test), classical assumption test (normality test, multicollinearity test, heteroscedasticity test), hypothesis testing (t-test, F test). From the results of the research, the X 1 variable has a significant effect on the Y variable with the regression equation $Y = 9.450 + 0.230 X 1$, the correlation value of 0.579 means that the two variables have a moderate level of relationship with a coefficient of determination of 33.5%. Hypothesis test obtained t arithmetic $>$ t table or $(7.033 > 1.984)$. Thus H_0 is rejected and H_1 accepted. Variable X 2 has a significant effect on variable Y with the regression equation $Y = 9.294 + 0.375 X 2$, the correlation value is 0.570, meaning that both have a moderate level of relationship with a coefficient of determination of 32.4%. Hypothesis test obtained t count $>$ t table or $(6.859 > 1.984)$. Variables X 1 and X 2 simultaneously have a significant effect on variable Y with the regression equation $Y = 4.407 + 0.158X 1 + 0.249X 2$. The correlation value of 0.667 means that the independent variable and the dependent variable have a strong relationship with a coefficient of determination of 44.5% while the remaining 55.5% is influenced by other factors. Hypothesis test obtained value of F arithmetic $>$ F table or $(38.891 > 2,700)$. Thus H_0 is rejected and H_3 is accepted

Keywords: Promotion, Service Quality and Electronic Transaction Decisions

INTRODUCTION

The development of an increasingly rapid era cannot be separated from the support of increasingly rapid technological developments, this has a very positive and negative influence on human life. In the business world with increasingly sophisticated technology makes work easier.

Technology that can help organizations in their business greatly affects the efficiency of the company's operational costs, as well as the community as consumers with consumer technology, it is easier to find out the desired product through electronic media. Recently, technology combined with internet support has given rise to a new product called e-commerce.

E-commerce according to Kotler and Armstrong (in Bhakti, 2015) is an online channel or a channel that a person can reach through a computer and a modem. So e-commerce is an online channel used by businessmen in conducting their business activities and used by consumers to obtain information and products by using computers and modems which in the process begins with providing information services to consumers by producers in making choices. Every company engaged in services and goods is moving fast in maximizing the opportunities for using e-commerce.

PT Midi Utama Indonesia Tbk realized this with Alfamidi which has a vision of "Being a retail network that integrates with the community, able to meet customer expectations and needs and provide

the best quality service" with the motto "Satisfied shopping, low prices". provide fast, quality service and easy accessibility for customers around the outlet (www.alfamidiku.com).

Alfamidi is a minimarket outlet that provides almost all consumer needs and accepts electronic transaction payment services on a shopping bill or other forms of e-commerce. The electronic transactions are in the form of payments for PLN, BPJS, FIF, Gopay, True Money, WOM, Telkom Group, Home Credit, ACC Finance, Adira Finance, Midtrans, Faspay, BFI, etc.

Minimarket or supermarket is a form of retail business that has relatively large operations, low margins, high volume, and market nature designed to meet consumer needs. With a small profit, it is expected that minimarkets will be able to achieve high sales volume so that the profits obtained can be maximized. PT Midi Utama Indonesia Tbk Bitung branch has 350 Alfamidi store outlets.

In running its business, Alfamidi has many competitors where the competitors have the same business concept as Indomaret and Alfamart. With such a large number of stores, PT Midi Utama Indonesia Tbk Bitung branch hopes that the revenue from electronic transactions will be able to reach the company's target.

Marketing is an important activity in the company aimed at meeting the needs and desires of the community through a product that is expected to provide benefits to consumers, marketing is aimed at increasing profits for the company.

According to AMA (American Marketing Association) cited by Kotler and Keller (2016: 27) defines marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization.

Marketing has a very important role in the success of the company in general, one of the activities to stimulate purchase/transaction decisions is by promotion. Promotion is an incentive designed to encourage the purchase or sale of a product, usually for the short term, (e.g., coupons, contests, competitions, product samples, rebates, linkages, direct premiums, trade shows, trade-ins, and exhibitions).

According to Kotler and Keller (2016: 47) promotion is an activity that communicates product advantages and persuades target consumers/customers to buy it.

The benefits of holding promotional activities by the company are as follows:

1. Introducing and informing the public about the services or goods produced.
2. Encouraging consumer purchasing decisions for a product
3. Increase sales volume

Table 1

Alfamidi Kutabumi Electronic Transaction Promotion, 2019

Year	Promotion media
2019	Online advertising
	Catalog
	Banner
	Poster

Source: Alfamidi Kutabumi, 2019

Given the level of competition continues to increase, the company must improve its marketing performance not only by promotion, including improving the service quality. Quality of service is any activity, benefit, or performance offered by one party to another that is intangible and does not cause any transfer of ownership wherein its production it may or may not be tied to physical products (Kotler 2016: 214).

Meanwhile, good service quality includes pre-transaction, during-transaction, and post-transaction service activities. Activities before the transaction will also affect the activities during the transaction and after the transaction, therefore the predecessor activities must be as good as possible so that consumers give a positive response and show high loyalty.

According to Sampara in Sinambela (2014: 5) service is an activity or sequence of activities that occur indirect interaction between a person and another person or machine physically, and provides customer satisfaction.

Based on the definition of the experts above, it can be concluded that service quality is a comparison between the service perceived by consumers and the expected service quality.

Table 2

Customer Service

Look at Who's Smile	The cashier greets friendly and smiles when consumers enter and the sales area
	The cashier greets in a friendly manner and smiles in the cashier area by greeting
	In the cashier area, say thank you and say the name
	The cashier greets with a friendly and smiles at the exit
Offer	The cashier makes product offers in the fresh food and grocery sales area
	In the cashier area, you make offers for ponta members, credits, and promotions

Responsive	Actively helping customers who have difficulty finding goods
	Kindly offer a basket when customers have trouble carrying groceries
	Quickly offer sincere help and speak a polite language
	The cashier separates the shopping bags between food, non-food and fresh food products
Appearance Standard	Hair is clean, neat, and not dyed
	Wearing the Alfamidi uniform in a clean, neat condition and tucked into his pants
	Wearing plain black trousers and a belt following the provisions
	Wearing a red strap ID Card
	Especially for the fresh food crew/MD wearing a fresh apron and hat
	The female staff uses make-up according to the set standards
	Male staff adhere to established appearance standards
	Wearing black sneakers and laces, clean, and wearing black socks
	Nails are not long, clean, and do not use nail polish
	Fragrant and fresh body
Consumer Queue	The staff opens a new cashier desk if the queue is more than 3 customers

Source: Alfamidi Kutabumi, 2019

Promotion and service quality is one of the marketing strategies in influencing decisions in making transactions. Decisions in making transactions can be associated with purchasing decisions that occur.

Purchasing decisions are part of consumer behavior, consumer behavior is the study of how individuals, groups, and organizations choose, buy, use, and how goods, services, ideas, or experiences satisfy their needs and desires, Kotler and Armstrong (2017:177).

Meanwhile, Alma (2016: 96) suggests that purchasing decisions are as follows: "purchase decisions are a consumer decision that is influenced by financial economics, technology, politics, culture, products, prices, locations, promotions, physical evidence, people and, process. Thus forming an attitude in consumers to make a purchase.

Table 3

Alfamidi Kutabumi Electronic Transaction Value, 2019

Year	Month	Income Type	Mark
2019	January	<i>E-Trans</i>	Rp 693,411,567
	February	<i>E-Trans</i>	Rp 736,805,020
	March	<i>E-Trans</i>	Rp 765,037,757
	April	<i>E-Trans</i>	Rp 682.994.511
	May	<i>E-Trans</i>	Rp 774,910,221
	June	<i>E-Trans</i>	Rp 665,265,184
	July	<i>E-Trans</i>	Rp 662,077,201
	August	<i>E-Trans</i>	Rp 692,481,943
	September	<i>E-Trans</i>	Rp 625,837,631
	October	<i>E-Trans</i>	Rp 675,902,271
	November	<i>E-Trans</i>	Rp 754,025,262
	December	<i>E-Trans</i>	Rp 844,713,939

Source: Alfamidi Kutabumi, 2019

Of all the types of electronic transactions available at Alfamidi Kutabumi, the author will examine 5 (five) types of electronic transactions which in terms of transaction value have not reached the target of electronic transactions at Alfamidi Kutabumi, and also the nature of these transactions routinely carried out by consumers. The five electronic transactions include: PLN, Gopay Top Up, FIF, Adira Finance, Home Credit.

Table 4

Alfamidi Kutabumi Electronic Transactions, 2019 (in Rupiah)

Month	Transaction Name				
	Adira Finance	PLN	FIF	Gopay Top Up	Home Credit
January	86.676.446	69.341.157	57.784.297	49.529.398	40.788.916
February	92.100.628	73.680.502	61.400.418	52.628.930	43.341.472
March	95.629.720	76.503.776	63.753.146	54.645.554	45.002.221

April	85.374.314	68.299.451	56.916.209	48.785.322	40.176.148
May	96.863.778	77.491.022	64.575.852	55.350.730	45.582.954
June	83.158.148	66.526.518	55.438.765	47.518.942	39.133.246
July	82.759.650	66.207.720	55.173.100	47.291.229	38.945.718
August	86.560.243	69.248.194	57.706.829	49.462.996	40.734.232
September	78.229.704	62.583.763	52.153.136	44.702.688	36.813.978
October	84.487.784	67.590.227	56.325.189	48.278.734	39.758.957
November	94.253.158	75.402.526	62.835.439	53.858.947	44.354.427
December	105.589.242	84.471.394	70.392.828	60.336.710	49.689.055

Source: Alfamidi Kutabumi, 2019

In theory, Kotler (2016: 70) says that the factors that influence purchasing decisions are service quality, product quality, promotion, and price. These factors, especially the quality of service and promotion have a positive and significant influence on purchasing decisions.

From all the descriptions above, the authors are interested in researching with the research title as follows: "INFLUENCE OF PROMOTION AND QUALITY OF SERVICES ON THE PURCHASE DECISION OF ELECTRONIC TRANSACTION SERVICES IN ALFAMIDI KUTABUMI".

RESULTS AND DISCUSSION

1. The Effect of Promotion (X1) on Electronic Transaction Decisions (Y).

Based on the results of the analysis, the value of the regression equation $Y = 9.450 + 0.230X_1$, the correlation coefficient of 0.579 means that the two variables have a moderate level of relationship. The value of determination or contribution of influence is 0.335 or 33.5% while the remaining 66.5% is influenced by other factors. Hypothesis test obtained value of $t_{\text{arithmetic}} > t_{\text{table}}$ or $(7.033 > 1.984)$. Thus H_0 is rejected and H_1 accepted means that there is significant influence between the promotion of the electronic transaction decisions.

2. The Effect of Service Quality (X2) on Electronic Transaction Decisions (Y)

Based on the test results, the value of the regression equation $Y = 9.294 + 0.375X_2$, the correlation coefficient of 0.570 means that the two variables have a moderate level of relationship. The value of determination or contribution of influence is 0.324 or 32.4% while the remaining 67.6% is influenced by other factors. Hypothesis test obtained value of $t_{\text{count}} > t_{\text{table}}$ or $(6.859 > 1.984)$. Thus H_0 is rejected and H_2 is received it means a significant difference between the quality of service to the electronic transaction decisions.

3. The Effect of Promotion (X1) and Service Quality (X2) on Electronic Transaction Decisions (Y)

Based on the results of the study showed that the promotion of (X 1) and quality of service (X 2) positive effect on trading decisions with regression equation $Y = 4.407 + 0,158X_1 + 0,249X_2$. The value of the correlation coefficient or the level of influence between the independent variable and the dependent variable was obtained at 0.667, meaning that it has a strong relationship. The value of the coefficient of determination or the contribution of simultaneous influence is 44.5% while the remaining 55.5% is influenced by other factors. Hypothesis testing is obtained by the calculated F value $>$ F table or $(38,891 > 2,700)$. Thus H_0 is rejected and H_3 is accepted. This means that there is a simultaneous significant influence between promotion and service quality on transaction decisions electronically.

CONCLUSION

Based on the descriptions in previous chapters, and from the results of the analysis and discussion of the effect of promotion and service quality on electronic transaction decisions at Alfamidi Kutabumi, as follows:

1.The promotion has a significant effect on electronic transaction decisions at Alfamidi Kutabumi with the regression equation $Y = 9.450 + 0.230X_1$, the correlation value of 0.579 means that the two variables have a moderate level of relationship with a coefficient of determination of 33.5%. Hypothesis test obtained t arithmetic $>$ t table or $(7.033 > 1.984)$. Thus H_0 is rejected and H_1 accepted means that there is significant influence between the promotion of the electronic transaction decisions on Alfamidi Kutabumi.

2.Service quality has a significant effect on electronic transaction decisions at Alfamidi Kutabumi with the regression equation $Y = 9.294 + 0.375X_2$, the correlation value of 0.570 means that both have a moderate level of relationship with a coefficient of determination of 32.4%. Hypothesis test obtained t count $>$ t table or $(6.859 > 1.984)$. Thus H_0 is rejected and H_2 received means there is a significant influence between the quality of service of the decision on Alfamidi Kutabumi electronic transactions.

3.Promotion and service quality have a significant effect on electronic transaction decisions at Alfamidi Kutabumi with the regression equation $Y = 4.407 + 0.158X_1 + 0.249X_2$. The correlation value of 0.667 means that the independent variable and the dependent variable have a strong relationship with a coefficient of determination of 44.5% while the remaining 55.5% is influenced by other factors. Hypothesis test obtained value of F arithmetic $>$ F table or $(38.891 > 2,700)$. Thus H_0 is rejected and H_3 is accepted. This means that there is a simultaneous significant influence between promotion and service quality on electronic transaction decisions at Alfamidi Kutabumi.

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