



Effect Of Online Promotion, Price And Brand Image On Purchase Decisions For Neosaipress Herbal Products

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ABSTRACT

Purchasing decisions are one of the keys for companies to gain profits. For that we need the right marketing strategy for the company so that consumers can buy the products offered. This study aims to determine the effect of online promotion, price and brand image on purchasing decisions for Neosaipress herbal products. The analytical technique used to analyze the effect of the variables in this study is using multiple regression analysis, t test and F test. The population used is Neosaipress product consumers at PT. Penawar Legenda Maju who shopped at Bandung Stockist. With the sample obtained, namely 80 respondents. The results showed that online promotion and brand image partially influence purchasing decisions, while price does not partially affect purchasing decisions. Simultaneously online promotion, price and brand image affect the purchase decision of Neosaipress products. Based on the results of the study, the company must improve its marketing strategy which is considered not optimal, in order to achieve increased purchasing decisions.

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1. Introduction

Herbal products are currently still an alternative choice for some people to maintain their health. Herbal products are not only consumed for those who have health problems, but also for those who are healthy with the aim of maintaining and protecting them from various diseases. Especially when the COVID-19 pandemic situation hits the whole world, where there are changes in activities. Almost every activity is diverted to be done at home. This is a change in people's lifestyles to carry out work from home (WFH) activities. Changes in lifestyle that trigger the emergence of various diseases from mild to chronic. So many industries and entrepreneurs have sprung up to create herbal products in order to overcome these problems. One of the industries that creates herbal products is PT. Penawar Legenda Maju or known as PLM-JAYA. Where the company has created many herbal products, one of which is Neosaipress which is useful for treating joint and nerve problems as well as for other health problems. As recommended by the Ministry of Health that consuming herbal products is good for maintaining health and endurance. This makes herbal products more attractive to the public. This is related to the concept of returning to nature (Dewati & Saputro, 2020).

PT. PLM-JAYA is a herbal industry company that markets its products with a multilevel marketing (MLM) system where the success of an MLM company is strongly influenced by how the company can satisfy its consumers, especially consumers who are matched with product quality, price, service quality, distribution channels, promotions. as well as customer experience so that they become regular customers (Suparwo & Syarifuddin, 2017). In addition, brand image is also important for companies in boosting sales because it can provide a memory or product suggestion for consumers, so that this can be a determinant for consumers to make purchasing decisions.

For MLM companies, competition is faced by producing a product that is able to compete with similar products from other companies, the goal is clear, namely to attract consumer buying interest in

making their choice, then business people must be able to apply the right strategy in order to win the competition (Nasution et al., 2019). They are really overwhelmed in managing their business because of the tight competition. To be able to maintain their business they have different marketing strategies. Every company has strategies to persuade consumers to make purchasing decisions on their products and to achieve company goals.

However, after doing research on PT. PLM-JAYA, it turns out that there are problems that are thought to be obstacles to purchasing decisions by consumers. Where the purchase decision is one of the stages of consumer behavior that underlies consumers to make purchasing decisions before post-purchase behavior and how individuals, groups, and organizations choose, buy, use, and how goods or services satisfy their needs and desires (R. Ernawati et al., 2021). So the purchase decision can be interpreted as an action from a consumer in choosing the product to be purchased which goes through various stages until a purchase transaction occurs. This can be seen from the fluctuations in sales that occur every year. Because in general, companies with an MLM marketing system rarely last up to 5 years, unless the company innovates both in its products and in its marketing. At PT. PLM-JAYA which is suspected to be the problem of decreasing purchasing decisions include online promotions that have been carried out so far, product prices and brand image of the product.

Online promotion is a process of activities carried out by parties (companies) in offering goods or services that are introduced or advertised through online media (internet), so that there is no direct face-to-face interaction between buyers and sellers (Jamaludin et al., 2015). Or it can be interpreted that online promotion is a marketing method using digital technology that can reach more consumers to create interactive communications and help to acquire and retain customers. Online promotion that is carried out optimally is expected to improve consumer purchasing decisions.

In addition to online promotion, price is also an important variable in marketing that needs to be considered by PT. PLM-JAYA. Because the price will directly affect the volume of sales and profits achieved by the company. The company cannot set the price too low because of the consideration of the cost of raw materials, production, marketing and other costs. On the other hand, companies cannot set prices too high because it will affect consumer interest and purchasing power. Pricing must be right so that the company's goals can be achieved properly. Price is a way for a seller to differentiate his offering from competitors. So that pricing can be considered as part of the differentiation function of goods in marketing. Price is also very relative. If a buyer has the opportunity to buy the same goods and services at a lower price, then he will do so (Zulaicha & Irawati, 2016). Brand image is a representation of the overall perception of the brand and is formed from information and past experiences of the brand itself. The image of the brand is related to attitudes in the form of beliefs and preferences for a brand. Consumers who have a positive image of a brand are likely to be more likely to do so (Roisah & Riana, 2016).

2. Methods

This study uses a descriptive and verification approach with quantitative methods. Data was obtained by distributing questionnaires to consumers of Neosaipress products. The population used are consumers of Neosaipress products at PT. Bidder for Advanced Legend who shopped at Bandung Stockist. With the sample obtained, namely 80 respondents. The sampling technique used in this study is the probability sampling technique using a random sampling technique model. The analytical technique used to analyze the effect of the variables in this study is using multiple regression analysis, t test and F test using spss 21 software.

3. Results and Discussion

3.1 Hypothesis test

a. Multiple Linear Regression Test

Statistical test analysis on multiple linear regression is used in order to predict whether there is an influence between online promotion, price and brand image on purchasing decisions. To calculate this regression analysis the author uses the SPSS 21 for windows program.

Table 1
Multiple Linear Regression Results

Model	Unstandardized		Standardized	t	Sig
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	4.828	5.982		.807	.423
1 Online promotion	.736	.202	.434	3.642	.001
Price	.108	.179	.072	.601	.551
Brand Image	.398	.203	.235	1.963	.055

a. Dependent Variable: Purchase Decisions

Based on the table above, the regression equation model is obtained, namely:

$$Y = 4,828 + 0,736X_1 + 0,108X_2 + 0,398X_3$$

From the above equation can be interpreted as follows:

- The constant of 4.828 means that if online promotion, price and brand image are zero, then consumers will still make purchasing decisions.
- The regression coefficient of online promotion shows a positive sign (+0.736), meaning that online promotion has positive implications for purchasing decisions, meaning that if respondents' perceptions or assessments of online promotions increase, then purchase decisions also increase.
- The price regression coefficient shows a positive sign (+0.108), meaning that the price has a positive impact on purchasing decisions, meaning that if the respondent's perception or assessment of the price increases, the purchase decision also increases.
- The brand image regression coefficient shows a positive sign (+0.398), meaning that the brand image has a positive impact on purchasing decisions, meaning that if the respondent's perception or assessment of the brand image increases, the purchase decision also increases.

b. Partial Hypothesis Test (t Test)

The t test basically shows how far the influence of one independent variable individually in explaining the dependent variable. This test was carried out using a significant level of 0.05 ($\alpha = 5\%$).

Table 2
t test

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	4.828	5.982		.807	.423
1 Online Promotion	.736	.202	.434	3.642	.001
Price	.108	.179	.072	.601	.551
Brand Image	.398	.203	.235	1.963	.055

a. Dependent Variable: Purchase Decisions

Based on the number t table with the provisions of $\alpha = 0.05$ $df - 2 = 80 - 4 = 76$ so that the t table value is 2.002. Based on the table above, it can be seen that the influence of online promotion, price and brand image variables on purchasing decisions is as follows:

- The online promotion variable (X_1) has a value of t count (3.642) > t table (1.665) which means that partially online promotion has a significant effect on purchasing decisions.
- The price variable (X_2) has a value of t arithmetic (0.601) < t table (1.665) which means that partially the price has no significant effect on purchasing decisions.
- Brand Image (X_3) variable has a t value (1.963) > t table (1.665) which means that partially brand image has a significant effect on purchasing decisions.

c. Simultaneous Hypotesis Test (F Test)

F test (simultaneous) is used to determine whether online promotion, price, and brand image have a significant effect on purchasing decisions simultaneously.

Table 3
F test

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	17.401	3	5.800	5.452	.002 ^b
	Residual	59.582	56	1.064		
	Total	76.983	59			

a. Dependent Variable: Purchase Decisions

b. Predictors: (Constant), Online Promotion, Price, Brand Image

Based on table 3, it is known that the significance value for the influence between online promotion, price and brand image on purchasing decisions simultaneously is $0.002 < 0.05$ and the calculated F value is $5.452 > F$ table whose value is 2.72 it is concluded that H_a is accepted and H_o rejected which means that there is an influence between online promotion, price and brand image simultaneously on purchasing decisions.

d. Coefficient of Determination (R^2)

To determine the percentage of the influence of the independent variables (X_1 , X_2 , and X_3) simultaneously on the dependent variable (Y), it can be seen in the table below.

Table 4
Coefficient of Determination Value

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.899 ^a	.809	.807	.827

a. Predictors: (Constant), Online Promotion, Price, Brand Image

b. Dependent Variable: Purchase Decisions

Based on table 4 above, it can be seen that the coefficient of determination (R Square) is 0.899. This means that R square (R^2) shows the contribution or contribution of online promotion variables, prices and brand image to purchasing decisions that is equal to 80.9% ($K_d = R^2 \times 100\%$ or $0.8992 \times 100\%$), while the remaining 19.1% by other factors not described in this study.

3.2 Discussion

a. Effect of online promotion on purchasing decisions

Based on the research results obtained, it is known that online promotion has a significant effect on purchasing decisions partially. The results of this study are reinforced by a statement from (Suharsono & Sari, 2019) that online media promotion has a large enough effect on consumer purchasing decisions. This is because the development of the times that are so fast have demanded that consumers choose everything that is more practical, fast and efficient. Changes in the nature of consumers are also influenced by the development of information technology that provides all conveniences for all types of transactions. The selection of online purchasing decisions has succeeded in meeting consumer needs for speed and efficiency of time and effort. Where through online media, consumers can access information about products that suit their wants and needs. And through online media, all product displays that have been edited are as attractive as possible but still not much different from the original and the ease of online purchase transactions makes consumers feel more helped and find it easier to get an idea of the appropriate product to be purchased later.

b. Effect of price on purchasing decisions

Based on the research results obtained, it is known that the price does not have a significant effect on purchasing decisions partially. This is contrary to the results of Ernawati et al.'s research which said that price had an effect on purchasing decisions (S. Ernawati et al., 2022). Price is something that consumers have to pay to get an item. Consumers will be very sensitive in responding to the level of

pricing applied by the product. If the price set is not in accordance with the expected quality, then consumers will quickly realize this. Prices that are too cheap also have an impact on the quality of an item, but prices that are too expensive for consumers must also consider it (Jamaludin et al., 2015).

c. **The influence of brand image on purchasing decisions**

Based on this research, the obtained results show that the brand image variable on purchasing decisions has a significant influence. In connection with previous research which obtained results, namely the brand image variable on purchasing decisions has a positive and significant influence (Oktarini, 2020). Then the better and famous the brand image in the eyes of customers, the more it will make an increase in purchasing decisions.

d. **Effect of online promotion, price and brand image on purchasing decisions**

Based on this research, the obtained results show that online promotion, price and brand image variables on purchasing decisions have a significant influence. In connection with previous research which obtained results, namely online promotion, price and brand image variables on purchasing decisions have a positive and significant influence (Yoeliastuti et al., 2021). This is also in line with other research which shows that the more recognized the brand image, promotions are often carried out with price discounts, the more consumers decide to make purchasing decisions (Purnama et al., 2020). The purchase decision in a business is something that producers look forward to. The decision to buy a product or service arises because of an emotional impulse from within and the influence of others. Understanding consumer behavior is not easy, because consumers make certain purchases that can be different every day and vary greatly in age, income, education level and tastes (Suparwo et al., 2017).

4. **Conclusion**

This study aims to examine the effect of online promotion, price and brand image on purchasing decisions for Neosairess herbal products at PT. Penawar Legenda Maju who shopped at Bandung Stockist. After testing 80 respondents, it was found that online promotion and brand image partially influence purchasing decisions, while price does not partially affect purchasing decisions. Simultaneously online promotion, price and brand image affect the decision to purchase Neosairess products. Based on the results of the study, the company must improve its marketing strategy which is considered not optimal, in order to achieve increased purchasing decisions.

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