

THE INFLUENCE OF PROMOTIONS, PRICES AND BRAND AWARENESS ON ONLINE PURCHASING DECISIONS

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ABSTRACT

The aim of the research was to determine the influence variables of promotion, price and brand awareness on Kaf's Dorayaki online purchasing decisions , both partially and simultaneously. The type of research used is quantitative. The population in this research is consumers who have made online purchases at Kaf's Dorayaki. This research provides results that promotion (X1) has a positive and significant effect on online purchasing decisions (Y) partially, namely $t_{count} > t_{table}$ ($3.625 > 2.018$) and the significance value is $0.001 < 0.05$. The price variable (X2) has a positive and significant effect on online purchasing decisions (Y) partially, namely $t_{count} > t_{table}$ ($2.780 > 2.018$) and the significance value is $0.008 < 0.05$. Brand awareness (X3) has a positive and significant effect on online purchasing decisions (Y) partially, namely $t_{count} > t_{table}$ ($3.135 > 2.018$) and the significance value is $0.003 < 0.05$. The F test showed that the three independent variables in this study simultaneously had a positive and significant effect on online purchasing decisions . Based on the R square test, it was found that online purchasing decisions (Y) were influenced 79.7% by the three independent variables and another 20.3% is influenced by other variables

Keywords: Promotion, Price, Brand Awareness , Online Purchasing Decisions

INTRODUCTION

Currently, business competition in industry, especially in the culinary sector, is increasingly fierce. Entrepreneurs in this industry are required to have the ability to think creatively and innovatively to create a competitive product that meets consumer expectations and needs. In line with the theory of Kotler and Keller (2009: 5) which states that marketing is fulfilling needs in a useful way, where marketers fully understand the theory and reality of consumer behavior. One of the culinary businesses that is currently booming in Indonesia is the snack business , where snacks have a lot of interest.

One of the snack businesses in Malang City is Kaf's Dorayaki. Kaf's Dorayaki sells typical Japanese and Korean snack products, namely dorayaki, tteokbokki, rapokki, and odeng.

These Japanese and Korean snacks are currently popular among young people, encouraging other businesses to sell similar products. When compared to other businesses that have similar products, Kaf's Dorayaki has its own business *website* . Kaf's Dorayaki seeks to optimize the use of technological developments by providing *online* buying and selling services to increase sales and make it easier for consumers to order products via *e-commerce* . Apart from serving *online* sales , Kaf's Dorayaki also continues to provide *offline* services . Purchasing online provides convenience and comfort for both sellers and buyers. However, based on data from Kaf's Dorayaki, the largest sales still come from direct purchases by consumers without any *e-commerce intermediaries*.

Promotion and price are important marketing tactics in consumer purchasing decisions, as well as consumer brand awareness of a product also has an influence on purchasing decisions. These three factors are thought to be an indication that the cause of low online sales has an influence on purchasing decisions at Kaf's Dorayaki.

Consumers will be interested in purchasing products based on promotions at a business. At Kaf's Dorayaki the promotion carried out is a word of mouth and social media marketing strategy . Kaf's Dorayaki carries out digital marketing through social media, namely Instagram, the business's own website, and through *e-commerce* in partnership with Gojek, Grab and Shopee.

However, a pre-survey of Kaf's Dorayaki consumers found that promotions carried out digitally through social media, namely *websites* and *e-commerce*, only had a small influence of 6% compared to direct promotions which had a big influence on consumers, so they had not reached a wider market.

Price is also a consideration for consumers before deciding to purchase a product. Kaf's Dorayaki prices in *e-commerce* are more expensive than offline sales, because the price includes application fees, shipping costs, and so on. However, prices in *e-commerce* sometimes have discounts, whereas in offline sales there are none. However, a pre-survey of consumers of Kaf's Dorayaki prices in *e-commerce* is still not affordable so consumers think again about deciding to purchase Kaf's Dorayaki products.

If marketing strategies such as promotions and prices are carried out in the business correctly, then consumers will recognize the product brand well. However, a pre-survey of consumers shows that Kaf's Dorayaki is still not the brand that comes to mind first in consumers' minds or *top of mind* when purchasing Japanese or Korean snack products.

The problems that have been described are the basis for researchers to reveal what the three independent variables are has a significant effect on the dependent variable.

LITERATURE REVIEW

Marketing

According to Swastha in Indrasari (2019:4) marketing is a comprehensive system of a series of activities for planning, setting prices, promoting and distributing goods and services aimed at meeting the needs of potential buyers.

behavior as a marketing strategy to approach consumers. Kotler and Keller (2009: 166) state that consumer behavior is an analysis of the way individuals, groups and organizations select, purchase and use goods, services, ideas, with the aim of fulfilling their needs.

Various stimuli from consumer behavior models influence consumers, thereby generating interest in exploring information and making purchasing decisions.

Consumer purchasing decisions are measured by five indicators, one of which is brand choice. Before consumers decide to buy, they must know several brands on the market, therefore a business needs to implement appropriate marketing strategies and understand consumer behavior so that the existence of the brand will be easily recognized by consumers or high brand awareness can influence purchasing decisions (Sitorus, AS , et al., 2022) .

Promotion

Shinta (2011:120) expressed his opinion that promotion is a form of communication in marketing. Marketing communication itself is an action in marketing to disseminate information, convince and remind the target market about a business and its products, with the hope that they will accept, buy and remain loyal to the product being marketed.

Price

Price is the amount of money or value charged by customers to obtain benefits from a product or service (Kotler & Armstrong, 2008: 345).

Brand Awareness

According to Kotler, Keller, Brady, Goodman, Hansen in Sitorus, AS, et al. (2022:111) stated that brand awareness *is* the ability of consumers to recognize and identify brands in their minds or memories.

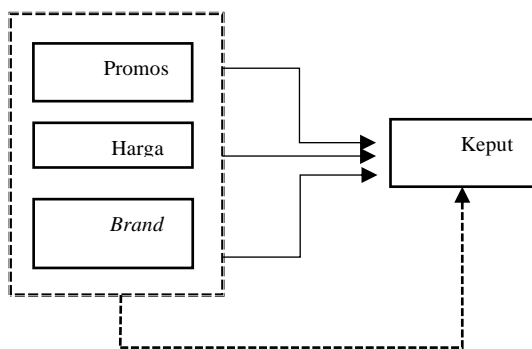
Buying decision

decisions are preferences for buying the most preferred brand (Kotler and Keller, 2009: 188)

According to Sawlani (2021:18) Online purchasing is a sales activity using the internet which is used in producer-to-producer transactions or (B2B) and businesses with direct consumers or (B2C).

Based on the explanation of these theories, *online purchasing decisions* are steps taken by consumers to use the internet, such as *e-commerce services* that have been provided by companies in deciding to purchase a product or service after consumers are aware of certain information obtained.

Hypothesis Framework



Information:

Partially —:—

Simultaneously: - - -

1. H1: It is suspected that there is a significant influence between promotions on purchasing decisions.
2. H2: It is suspected that there is a significant influence between price on purchasing decisions.

3. H3: It is suspected that there is a significant influence between *Brand awareness* on purchasing decisions.
4. H4: It is suspected that there is a significant influence between promotion , price and *brand awareness* on purchasing decisions simultaneously.

METHODS

This research approach method is quantitative associative, which was carried out at Kaf's Dorayaki in February - November 2023. The criteria for this population are people who have purchased online at Kaf's *Dorayaki* . Determining the list and population size was obtained after the respondent questionnaire was distributed over a certain period of time, due to limitations in contacting *online consumers* due to the absence of consumer list data when making *online purchases* at Kaf's Dorayaki. From the results of distributing the questionnaire, it was found that there were 90 respondents. Determining the sample size from the total questionnaire respondents, namely 47 respondents, was carried out using a simple random population technique.

DISCUSSION

Instrument Test

1. Validity test

Item	r hitung	r tabel	Keterangan
X1.1	0,551	0,287	Valid
X1.2	0,582	0,287	Valid
X1.3	0,550	0,287	Valid
X2.1	0,705	0,287	Valid
X2.2	0,804	0,287	Valid
X2.3	0,735	0,287	Valid
X2.4	0,798	0,287	Valid
X3.1	0,707	0,287	Valid
X3.2	0,785	0,287	Valid
X3.3	0,629	0,287	Valid
X3.4	0,715	0,287	Valid
Y1.1	0,723	0,287	Valid
Y1.2	0,665	0,287	Valid
Y1.3	0,670	0,287	Valid
Y1.4	0,737	0,287	Valid
Y1.5	0,678	0,287	Valid

The r value of this table is 0.287 and the Sig level. 0.05. Based on the results of the SPSS 25 test above, it states that the validity test on the promotion, price, *brand awareness* and *online* purchasing decision variables is valid because r count > r table.

2. Reliability Test

Based on the results of the table above, the reliability test using Guttman Split-Half has a value of $0.916 > 0.08$, so it is reliable.

	Guttman Split-Half Correlation	Items	Information
Guttman Split-Half	0.916	16	Reliable

Classic assumption test

1. Normality test, obtained *Asymp.Sig (2-tailed)* value in the results statistical test is $0.163 > 0.05$, then the data distribution is normal .

2. Multicollinearity test, obtained for each variable tolerance value > 0.10 , namely promotion (0.507), price (0.342), and *brand awareness* (0.425). The VIF value for each variable is < 10 , namely promotion (1.972), price (2.927), and *brand awareness* (2.353), it can be concluded that there is no multicollinearity event.

3. Heteroscedasticity Test. The sig value is obtained. on promotions, namely $0.995 > 0.05$. Price is $0.877 > 0.05$. *Brand awareness* is $0.098 > 0.05$ with the Glejser test, so it is proven that there are no symptoms of heteroscedasticity.

Multiple Linear Regression Test

After analyzing, the regression equation is obtained:

$$Y = 9.254 + 0.350 X_1 + 0.327 X_2 + 0.331 X_3 + e$$

Hypothesis testing

1. t test.
 - a. Promotion obtained a value of $3.625 > 2.018$ and Sig $0.001 < 0.05$.
 - b. The value obtained is $2.780 > 2.018$ and Sig $0.008 < 0.05$.
 - c. *Brand Awareness* obtained a value of $3.135 > 2.018$ and Sig $0.003 < 0.05$.
2. F test

calculated F value $> F$ table was obtained , namely $56,232 > 2.59$ and the Sig. $0.000 < 0.050$, then simultaneously the three independent variables in this study have a significant contribution to Kaf's Dorayaki *online purchasing decisions*.

Coefficient of Determination

Based on the *R Square value* , namely 0.797 , where the influence of promotion, price, awareness *contributes 79.7%* in influencing Kaf's Dorayaki *online purchasing decisions*.

The Effect of Promotions on Purchasing Decisions

Partial results were obtained promotion had a significant effect on *online* Kaf's Dorayaki product information contains clear pictures of various menu choices and information on each menu is conveyed so that consumers decide to purchase *online* . This is supported by research from Yusda, DD (2019).

The Influence of Price on Purchasing Decisions

The partial results obtained show that price *online* purchasing decisions . Kaf's Dorayaki has provided affordable prices according to consumer capabilities. This is supported by research from Istanti, E. (2019).

The Influence of *Brand Awareness* on Purchasing Decisions

The partial results obtained show that *brand awareness online* decisions . The appearance of the Kaf's Dorayaki logo in the form of an image of the character Doraemon, Dorayaki, and the words Kaf's Dorayaki can be recognized by consumers. This is supported by research from Brestilliani, L., & Suhermin, S. (2020).

The Influence of Promotion, Price and *Brand Awareness* Purchasing Decisions

Promotion, price, and *brand awareness variables* together influence Kaf's Dorayaki *online purchasing decisions*. Implementing the right promotional and pricing strategies for your business can generate consumer interest in making purchases, thereby having a significant impact on *online sales* . Then, after the right promotions and prices can be applied properly to a business, consumers will easily become aware of the existence of the business brand, which can influence consumers in making *online purchasing decisions*.

Suggestion

1. For Kaf's Dorayaki

- a. The item promotion variable X1.3, namely customers who are loyal to the product, has the lowest value of 3.17. Therefore, Kaf's Dorayaki is advised to optimize promotions via social media such as utilizing features from Instagram and TikTok by creating interesting content and following social media trends, so that the delivery of product information convinces consumers to consistently choose and buy Kaf's Dorayaki products *online*.
 - b. The item price variable Therefore, it is hoped that Kaf's Dorayaki will pay more attention to the benefits that consumers will get, such as the quality, taste and packaging of the product with the suitability of the business price, which will result in a feeling of consumer satisfaction or getting benefits according to the value spent after purchasing the product.
 - c. *brand awareness* variable item X3.2, namely *brand recognition*, worth 3.47 has the lowest value. Therefore, it is recommended that Kaf's Dorayaki improve product quality, but still at affordable prices and of course have a distinctive taste that consumers can enjoy, as well as looking at market needs carefully to meet market targets. So that the Kaf's Dorayaki brand is easily recognized and the existence of this business will not be eroded by sellers of similar products.
 - d. Kaf's Dorayaki needs to maintain the various promotional strategies that have been carried out to consumers, but still follow developments that suit market needs, as well as product prices that are affordable and display a logo that is easily recognized by consumers, so that consumers quickly make purchasing decisions.
2. It is recommended that future researchers add new variables because in this study the level of influence of the promotion, price and *brand awareness variables* was 79.7%. Meanwhile, the other 20.3% was influenced by other variables outside the research.

CONCLUSION

Promotions have a significant influence on *online purchasing decisions* for Kaf's Dorayaki consumers, where the higher the promotion is delivered well, the higher the consumer's purchasing decision for the product. Price has a significant influence on *online purchasing decisions* for Kaf's Dorayaki consumers, where the more the price matches the target market's capabilities, the higher the consumer's purchasing decision for the product.

Brand awareness has a significant influence on online purchasing decisions for Kaf's Dorayaki consumers, the higher the brand awareness given, consumers will be quicker to make purchasing decisions. The three independent variables in this research have a significant influence on online purchasing decisions for Kaf's Dorayaki consumers together.

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