

Optimizing purchasing decisions through marketing strategies: Case studies in housing property

Abimanyu Tuwuh Sembhodo¹, Adya Hermawati², Abd. Karman³, Jana Siti Nor Khasanah⁴, Endang Fatmawati⁵

Management Department, Faculty of Economics and Business, Universitas Indonesia, Indonesia¹

Postgraduate Management Program, Universitas Widyagama Malang, Indonesia²

Institut Agama Islam Negeri Fattahul Muluk Papua, Indonesia^{3,4}

Faculty of Economics and Business, Universitas Diponegoro, Indonesia⁵

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Abstract

This study aims to investigate the influence of digital marketing on purchasing decisions. The research sample in this study is prospective buyers of Griya Citra Perdana Malang Housing. In answering the aim of this study, we used 40 respondents and constructed a simple model based on path analysis. The model built shows that personal selling has no significant effect on purchasing decisions. Meanwhile, digital marketing and service quality significantly affect purchasing decisions. Furthermore, the simultaneous test shows that the three independent variables significantly influence purchasing decisions.

Keywords: Personal selling, digital marketing, service quality, purchasing decisions

¹ abimanyu.tuwuh@ui.ac.id

Introduction

The function of the house has changed a lot, from initially only as a shelter shifted as a hedge against inflation (investment). With the development of the function of the house, now many developers, especially in the Malang City Area, are in the provision of property, as well as competing in the provision of housing that can be of interest and according to the needs of buyers. Purchasing decisions occur when consumers recognize the problem, seek information about the product, and evaluate each of these alternatives correctly can solve the problem, leading to a purchase decision (Ariella, 2018; Sembhodo & Hermawati, 2021; Suleman. et al., 2001).

Developers do many things, including personal selling, which consists of personal interaction with customers and potential customers to make sales and maintain relationships (Finthariasari, 2020; Halim et al., 2021). At Griya Citra Perdana Housing, Malang, for the personal selling process, marketing usually starts a conversation by introducing yourself, then explaining the company's background, which consists of permits for the company's equipment. In addition, marketing will also explain the prices and types of houses in Griya Citra Perdana Malang Housing.

In the digital era like today, everyone can get complete information from their area and various remote areas (Hermawati, 2018; Lies, 2019). Digital technology has become part of the lifestyle of the Indonesian people. Because of this, developers can use it for marketing their housing products through digital marketing; this is supported by Hootsuite's social media management platform and social marketing agency, We Are Social, which was reported in January 2022, stated that there was 185.4 million internet user compared to the previous year, there was an increase of 19% or 26 million internet users in this country. Based on the total population of Indonesia, which is 283.2 million people, it means that 67% of Indonesia's population has experienced access to cyberspace.

Opportunities for entrepreneurs to market their business through digital marketing are tremendous (Astutik et al., 2021; Erlangga et al., 2021). Because the ample opportunity will also bring in competitors among property developers where social media is an integral part of a more extensive and more complete sales, service, communication, and marketing strategy and adapting to the market coupled with an attractive and innovative appearance will make potential users interested in the advertisements/information that they convey (Sengetang et al., 2019).

This study contributes to expanding empirical literature, especially regarding marketing optimization strategies in increasing purchase conversions, especially in housing marketing. The remainder of this paper is part of the method, empirical results, and conclusions.

Method

This study uses a quantitative approach to examine a particular sample (Arikunto, 2010). This research is also explanatory research, namely research that highlights the relationship between variables and tests the hypotheses that have been formulated previously (Jaya, 2020). The unit of research analysis is the buyer of Griya Citra Perdana Malang Housing. The object of this research is personal selling, digital marketing, and service quality on purchasing decisions at Griya Citra Perdana Malang housing using 40 respondents. The data collection method used a questionnaire with a Likert scale, documentation, and observation. Then we analyzed the model (Figure 1) using the partial least square method.

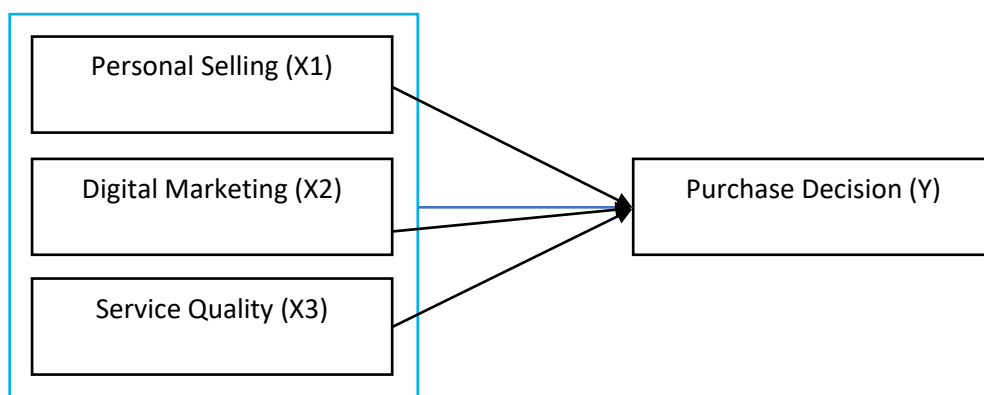


Figure 1. Conceptual Model

Empirical Result

The description of the research results carried out with a total of 40 respondents, namely the buyers of Griya Citra Perdana Malang Housing, is shown in Table 1. The validity test is used to see whether each instrument is valid in the variables that include personal selling, digital marketing, service quality, and the decision to purchase Griya Citra Perdana Housing in Malang. The convergent validity test is assessed based on the load factor indicators that measure the construct. The rule of thumb used is outer loading > 0.6 , communality > 0.5 . The results of the tests that have been carried out state that the values of each variable are valid. Then, the next test stage is the reliability test, were to see whether it is reliable or not, Cronbach's alpha must be greater than zero (0).

Table 1. Characteristics of respondents

Respondent Description	Description	Percentage
Gender	Man	45%
	Woman	55%
Age	Less than 20 years	5%
	21-30 years old	52.5%
	31-40 years old	32.5%
	41-50 years old	10%
	More than 50 years	0%
Level of education	Elementary – Middle School	12.5%
	Senior high school	37.5%
	S1	50%
	S2 or above	0%
Work	Private employees	35%
	Self-employed	47.5%
	PNS/Police/TNI	17.5%
	Etc	0%
Income Level	Under Rp. 3 million	30%
	IDR 3.1 million – IDR 5 million	32.5%
	IDR 5.1 million – IDR 10 million	15%
	More than IDR 10 million	22.5%

Table 2. Reliability

Variable	Cronbach' Alpha	Rho	Composite Realibility
Personal Selling (X1)	0.987	0.988	0.990
Digital Marketing (X2)	0.992	0.993	0.992
Service Quality (X3)	0.974	0.975	0.979
Purchase Decision (Y)	0.975	0.976	0.980

Hypothesis 1

Personal selling has no significant positive effect on Griya Citra Perdana Malang's housing purchasing decisions; this shows no significant impact between personal selling and the purchase decision. Furthermore, this can also be seen from the respondents' disagreeing answers. Most of it is in the price explanation items and the completeness of the company's permits. The company is currently obtaining a building permit that a notary is still processing. So it reduces the buyer's trust a little. The seller should explain clearly so that buyers will not worry about buying a house at Griya Citra Perdana Malang Housing.

Table 3. Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics (O/STDEV)	P Values
Personal Selling on Purchase Decisions	0.138	0.119	0.152	0.891	0.371
Digital Marketing on Purchase Decisions	0.385	0.444	0.189	2.093	0.032
Quality of Service on Purchase Decisions	0.485	0.439	0.199	2,448	0.012
R-Squared	0.812				

Hypothesis 2

Digital marketing has a significant effect on purchasing decisions for Griya Citra Perdana Housing Malang; this is influenced by the quality of digital marketing presented by Griya Citra Perdana Malang to its customers, such as time efficiency, so they don't have to come and meet. This study partially agreed that Griya Citra Perdana Malang Housing had good digital communication.

Hypothesis 3

Effect of service quality on purchasing decisions Griya Citra Perdana Malang. Respondents were pleased with the level of service quality shown by the office; services such as how to convey precise information, respond quickly, and other services made housing buyers feel comfortable.

Hypothesis 4

The R-Square value can be seen to determine the effect of personal selling, digital marketing, and service quality variables on purchasing decisions for Griya Citra Perdana Malang housing (See Table 3). These results indicate that 81.2% of the independent models in this study simultaneously influence purchasing decisions, and the remaining 18.8% are external factors that influence purchasing decisions outside the variables not examined.

Conclusions

Based on the results of research and discussions that have been carried out, it can be concluded as follows: 1) personal selling does not improve purchasing decisions made by customers at Griya Citra Perdana Malang Housing; 2) digital marketing has an essential role in purchasing decisions, in this case, the ease of

information provided by the office, namely a fast response call center so that customers can quickly and obtain information without having to go to the office; 3) service quality can influence purchasing decisions including friendly and responsive service that can make buyers comfortable for Griya Citra Perdana Malang housing; and 4) the test results simultaneously showed that 81.2% influenced the purchasing decision variables for Griya Citra Perdana Malang housing.

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