

The Effect Of Price, Sales Promotion, And Trust On Purchase Decisions At PT Star Multi Exchange Medan

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ABSTRACT

The research objective is to price, sales promotion, and trust in purchasing decisions at PT Star Multi Exchange Medan. This research approach is based on a quantitative approach. The population in this study amounted to 167 consumers of PT Star Multi Exchange Medan and the number of samples in this study were 118 consumers. The sampling technique used was random sampling. Data collection techniques used questionnaires, interviews and documentation studies. The data analysis technique uses multiple linear regression analysis. The results of the study show that partially and simultaneously Price, Sales Promotion and Trust have an effect positive and significant to the Purchase Decision at PT Star Multi Exchange Medan.

Keywords: Price, Sales Promotion, Trust, Purchase Decision

INTRODUCTION

Business competition in the era of globalization is increasingly dynamic, complex and completely uncertain, providing opportunities but also challenges. Every company in this industry tries to attract the attention of (prospective) consumers by providing information about the product. Promotion is an effective media as a source of information needed by consumers to find out the advantages and disadvantages of a product. Through promotional media, companies can create long-term and short-term profitable interactions between companies and consumers in introducing and marketing their products and results.

Purchasing decision is a concept in buying behavior where consumers decide to act or do something and in this case, make purchases or utilize certain products or services. Consumer purchasing decisions can be made if the product is in accordance with what consumers want and need. PT Star Multi Exchange Medan is a *money changer company*. In this company, there is a decrease in purchasing decisions which is marked by a decrease in foreign currency sales. This can be seen from the lowest sales decline in June, which was 43%.

Price fixing is always a problem for every company because this price fixing is not an absolute power or authority of a businessman. As stated above, by setting prices the company can generate sales revenue from the products it produces and markets. The role of price fixing will be very important, especially in today's increasingly fierce competition, especially in conditions of increasingly fierce competition and limited demand development. The currency prices offered by PT Star Multi Exchange Medan to consumers are sometimes much higher than other *money changer companies*. This triggers a low purchase decision and then the discount given is also small when consumers make purchases in large quantities.

Sales promotion is an activity of promotion that is used as a short-term driving tool, designed in such a way as to activate marketing more powerfully and quickly. With the sales

promotion can improve purchasing decisions. In this product sales promotion in the form of giving samples of goods, gifts, discounts or discounts to potential buyers. The sales promotion of PT Star Multi Exchange Medan which is designed for consumers is less attractive so that it has not been able to increase the company's sales. More sales promotions are given in the form of price cuts without attractive rewards to consumers.

Consumer trust is all forms of knowledge possessed by consumers and all conclusions made by consumers about objects, attributes and benefits. Consumer trust is one of the comparisons of what consumers expect with what consumers have received . PT Star Multi Exchange Medan's consumer confidence has decreased due to the level of service received which has disappointed consumers from invalid company staff information provided to consumers which is detrimental to consumers.

LITERATURE REVIEWS

Price

According to Kotler and Keller (2018: 67), "Price is one of the elements of the marketing mix that generates income, other elements generate costs." According to Abdurrahman (2017: 109), "Price is an amount of money that functions as a medium of exchange to obtain products and services." From this understanding, it can be concluded that price is the amount of money charged to customers for the provision of goods or services from a product and is one of the elements of the marketing mix that generates income.

According to Kotler and Keller (2018:94), companies can use several pricing techniques to stimulate early purchases:

1. Special pricing
2. Longer payment terms
3. Warranties and service contracts
4. Psychological discount

Sales promotion

According to Kotler and Keller (2015: 219) defines sales promotion as a core ingredient in marketing campaigns, consisting of a collection of incentive tools, mostly short-term designed to stimulate faster or larger purchases of certain products or services by consumers or trade. Meanwhile, Abdurrahman (2018: 177) defines short-term incentive sales promotions to encourage the purchase or sale of products or services. Thus, sales promotion can be defined as a form of short-term promotional activities carried out with the intention of encouraging product purchases.

According to Abdurrahman (2018: 179) the types of promotional tools are as follows:

1. Special price packs or price packs.
2. Money back offer
3. Trade promotion
4. Sweepstakes

Trust

According to Priansa (2016: 89), consumer trust is a willingness of one party to accept risks from the actions of other parties based on the hope that other parties will take important actions for those who believe in them. According to Sangadji and Sopiah (2019: 202), consumer trust is a strength knowledge possessed by consumers and all conclusions made by consumers that products have objects, attributes and benefits. Consumer trust as all

knowledge possessed by consumers and all conclusions made by consumers about objects, attributes and benefits

According to Priansa (2016: 124), states that trust can be measured through:

1. System used
2. Reputation _
3. Perceived risk (*perceived risk*)
4. *Perceived web vendors*
5. *Perceived web site quality*

Buying decision

According to Sopiah and Sangadji (2019: 332), consumer decision making includes all processes that consumers go through to recognize problems, find solutions, evaluate alternatives and choose between options. According to Hutabarat and Manullang (2018: 50), purchasing decisions are a purchasing process that can be viewed as a series of five stages, namely awareness of needs, alternative search, evaluation of alternatives, purchase decisions and feelings after purchase.

Based on the above understanding, purchasing decisions are a problem-solving process which consists of analyzing or identifying needs and wants, searching for information, evaluating sources of selection of alternative purchases, purchasing decisions, and behavior after purchase.

According to Sudaryono (2015: 119), every buying decision has a structure of seven. These components are:

1. Decision about the seller
2. Decision about the number of products
3. Decision about when to buy
- Decision on the method of payment .

conceptual framework

The following is a picture of the conceptual framework in this study which describes the relationship between the independent variables and the dependent variable

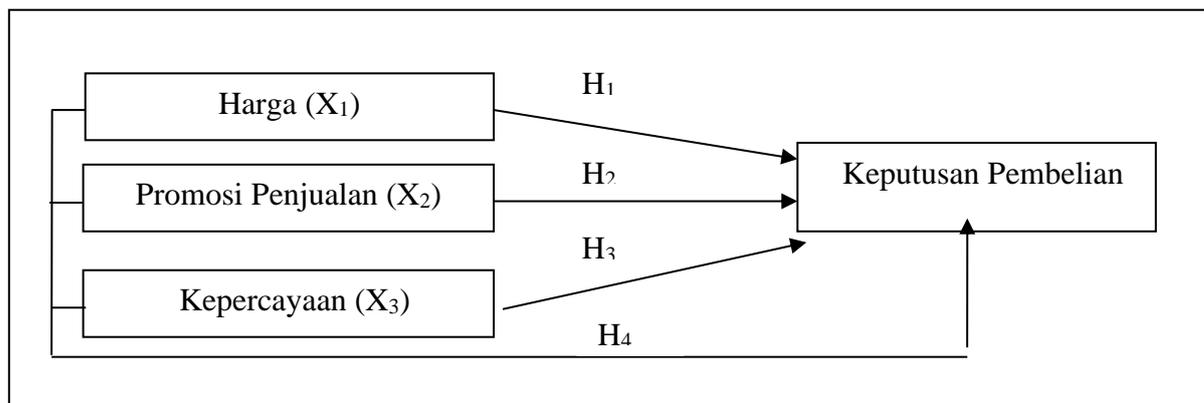


Figure 1. Conceptual Framework al

According to Sujarweni (2019: 68) that the research hypothesis is a temporary answer to the research objectives derived from the framework that has been made. The hypothesis in this study is as follows:

- H₁: Prices affect purchasing decisions at PT Star Multi Exchange Medan
H₂: Sales Promotion has an effect on Purchasing Decisions at PT Star Multi Exchange Medan
H₃: Trust has an effect on Purchasing Decisions at PT Star Multi Exchange Medan
H₄: Price, Sales Promotion, and Trust have an effect on Purchasing Decisions at PT Star Multi Exchange Medan

RESEARCH METHOD

This research approach is based on a quantitative approach. In this study, researchers used a quantitative descriptive research method. The nature of the research used is *explanatory descriptive*. The population in this study amounted to 167 customers and the number of samples in this study were 118 customers. The sampling technique used is *random sampling*. In this study, there were three data collection techniques used questionnaires, interviews and documentation studies. Data analysis technique multiple linear regression analysis.

RESULTS AND DISCUSSION

Table 1. Descriptive Statistics Example (N = 158)

Construct	Minimum	Maximum	Means	std. Deviation
Price	118	16	40	23.88
Sales promotion	118	10	40	23.45
Trust	118	11	50	33.50
Buying decision	118	10	40	24.61

Note. M = Mean, SD = Standard Deviation.

Table 1 shows that the minimum value of the price variable is 16 and the maximum is 40, the mean value is 23.88 and the standard deviation is 6.067. The sales promotion variable has a minimum value of 10 and a maximum of 40, the mean value is 23.45 and the standard deviation is 7.091. The minimum value of the trust variable is 11 and the maximum is 50, the mean value is 33.50 and the standard deviation is 8.396. The minimum value of the customer loyalty variable is 10 and the maximum is 40, the mean value is 24.61 and the standard deviation is 5.881.

Table 2. Regression Results Between x and x Example

		Coefficients ^a				
Model		Unstandardized		Standardized		
		Coefficients		Coefficients		
		B	std. Error	Betas	t	Sig.
1	(Constant)	7,492	2,664		2,812	006
	Price	.207	082	.214	2,527	013
	Sales promotion	.303	.067	.365	4,539	.000
	Trust	.151	058	.216	2,591	011

a. Dependent Variable: Purchase Decision

Note. $R^2 = .284$ ($p < .05$) ** $p < .05$

Adjusted R Square = .366

F = 15.103

Purchase Decision = 7.492 + 0.207 Price + 0.303 Sales Promotion + 0.151 Trust

The constant of 7,492 states that if price, sales promotion and trust variables do not exist or are constant, so the purchasing decision variable is 7,492 units. The regression coefficient of the price variable is 0.207 and is positive, this states that if each increase in the price variable by 1 unit will increase the purchasing decision variable by 0.207 units assuming the other variables are constant. The regression coefficient of the sales promotion variable is 0.303 and is positive, this states that if each increase in the sales promotion variable by 1 unit will increase the purchasing decision variable by 0.303 units assuming the other variables are constant. The regression coefficient of the trust variable is 0.151 and has a positive value, this states that if each increase in the trust variable by 1 unit will increase the purchasing decision variable by 0.151 units assuming other variables are constant.

The test results for the coefficient of determination can be seen from the *Adjusted R value Square* of 26.6% indicates variations in price, sales promotion and trust in purchasing decisions while the remaining 73.4% (100% -26.6%) is explained by other variables not examined in this study, such as service quality programs, product quality, convenience transactions and so on..

calculated F value (15.103) > F_{table} (2.68) and a significance probability of 0.000 <0.05, meaning that H4 is accepted, namely Price, Sales Promotion and Trust have an effect positive and significant to the Purchase Decision at PT Star Multi Exchange Medan. The results of partial hypothesis calculations obtained t count > t_{table} or 2.527 > 1.981 and a significant 0.013 <0.05, meaning that H1 is accepted, namely Price has an effect positive and significant on Purchasing Decisions at PT Star Multi Exchange Medan . The results of hypothesis calculations partially obtained t count > t_{table} or 4.539 > 1.981 and a significant 0.000 <0.05, meaning that H2 is accepted, namely Sales Promotion has an effect positive and significant on Purchasing Decisions at PT Star Multi Exchange Medan . The results of partial hypothesis calculations obtained t count > t_{table} or 2.591 > 1.981 and a significant 0.011 <0.05, meaning that H3 is accepted, namely Trust has an effect on Purchase Decisions at PT Star Multi Exchange Medan

CONCLUSIONS

The conclusion of this study is that partially the price has an effect positive and significant on Purchasing Decisions at PT Star Multi Exchange Medan, Sales Promotion has an effect positive and significant on Purchasing Decisions at PT Star Multi Exchange Medan, Trust has an effect on Purchasing Decisions at PT Star Multi Exchange Medan .. Simultaneously Price, Sales Promotion and Trust have an effective positive and significant to the Purchase Decision at PT Star Multi Exchange Medan.

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