



The Influence of Promotional Policies on Consumer Loyalty in Auto 2000 Sisingamangaraja Medan

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ABSTRACT

The purpose of this research is to determine and analyze the influence of promotional policies on consumer loyalty at Auto2000 Sisingamangaraja Medan. The variables used in this research are advertising (X1), sales promotions (X2), personal sales (X3) consumer loyalty (Y). The population used in this research was Auto 2000 Sisingamangaraja Medan consumers as of July 2019 to September 2019, totaling 1800 people. Using the Slovin formula, the sample size was 95 people. The data analysis used in this research is multiple linear regression analysis. The results of the multiple linear regression equation obtained from the research results are $Y = 6.265 + 0.471 X1 + 0.178 X2 + 0.391 X3 + e$. The results of the research are that advertising and personal sales variables partially have an influence and significance on service quality. Simultaneously, advertising, promotion and personal sales have a more positive and significant effect on consumer loyalty with a value of $R^2 = 57.2\%$, which means that the advertising, promotion and personal sales variables have an effect on consumer loyalty by 57.2%. It is recommended to future researchers that the results of this research can become a reference that can provide additional knowledge and comparisons in conducting research in the future

INTRODUCTION

The public's need for vehicles, especially four-wheeled vehicles, which previously were only for transportation purposes, has shifted to vehicles that are more geared towards matters of prestige or user prestige. The increase in the number of motorized vehicles followed by the increase in new brands and types of vehicles is certainly one of the causes of the development of the automotive world in Indonesia and reflects the increasing competition in the automotive world. In the face of very tight competition, automotive industry players must be more careful in observing market developments and defining consumer needs carefully in designing products and supporting systems. Consumers not only consider the physical form but also consider the services that accompany it. Therefore, in the automotive industry companies do not stop at assembling and selling new cars, but sales are the beginning of the next stage.

This will require after-sales service industry players, which include maintenance workshops and spare parts sales, to optimize their services. Companies can retain and increase customers in order to outperform competitors, one of which is that the company must have good service, which can create a good image. in the eyes of consumers.

Indicators of loyalty to a brand or service can be seen from repeat purchases or repurchases. Based on 2018 data obtained from the Association of Indonesian Automotive Industries (Gaikindo), Toyota is the best-selling car and is in demand by Indonesian people, namely selling 349,707 units every year. Followed by Honda with 185,438 units per year, and Daihatsu with 173,221 units per year. This is also what Auto2000 does, which is a Toyota sales, maintenance, repair and spare parts supply service network that was founded in 1975.

Based on the results of a pre-survey conducted by researchers on customers at Auto 2000 Sisingamangaraja Medan, it was found that there was a lack of persuasive action and mastery of information about Toyota cars. This is actually very important in carrying out personal sales, because the better the communication with consumers, the more likely it is that consumers will be interested in buying a car. Based on these weaknesses, Auto 2000 Sisingamangaraja must try to maintain consumer loyalty through promotions that attract consumer interest so as to create consumer loyalty.

LITERATURE REVIEW

Marketing Management

Concurring to Buchory and Djaslim (2010:5) "Showcasing administration is the method of arranging and actualizing the conception, estimating, advancement and dissemination of thoughts, products and administrations, to create trades that fulfill people and meet organizational objectives." Marketing management in a company is a very important part of the company. Without marketing management in a product and service company, it will certainly make it difficult for the company to get customers. Companies operating in the product and service sector place marketing management as a part that will create, grow people's purchasing intentions, and establish effective and efficient marketing strategies.

According to Assauri (2013:12), the scope of marketing management:

- a. Marketing Management Philosophy, which includes marketing concepts and processes as well as marketing management tasks.
- b. Marketing environmental factors are factors that company leaders cannot control.
- c. Market Analysis, which includes the characteristics of each type of market, product analysis, consumer analysis, competition analysis and market opportunity analysis.
- d. Selection of Target Market, including consumer market dimensions, consumer behavior, market segmentation and criteria used, forecasting potential market targets, and determining market/sales areas.
- e. Company Marketing Planning, including long-term strategic planning for company marketing (marketing corporate planning), planning company marketing operations, preparing marketing budgets, and the process of preparing company marketing plans

Promotional Policy

Concurring to Kotler and Armstrong (2008:76) "special approach is an action that communicates the benefits of a item and induces target buyers to purchase the item". Promotional policies for every company operating in the field of products and services are important. The promotional policy will determine or determine appropriate promotional steps to introduce these products and services to the public. The effectiveness of promotional policies that apply in a company can be seen if people are able to recognize and remember the product or service, and it has become embedded in the community and can be used to fulfill their needs and desires. Promotional policy can be said to be a promotion mix which consists of: advertising, personal selling, sales promotion, and publicity.

Promotion Policy Indicators

a. Advertising (Advertising)

Advertising is a form of indirect communication that is based on information about the advantages or benefits of a product, which is structured in such a way as to create a pleasant feeling that will change someone's mind about making a purchase. Advertising is any form of payment for presenting and promoting ideas, goods or services non-personally by a clear sponsor. Advertising allows users to repeat messages many times. Apart from that, product advertising in certain ways can add value to the product Tiera (2012:34)

a. Sales Promotion (Sales Promotion)

Sales promotion is a form of direct persuasion through the use of various incentives that can be arranged to stimulate immediate product purchases and/or increase the number of goods purchased by customers. Deals advancement appears to be developing in utilize more than publicizing. Marketers regularly utilize deals advancements to extend the viability of other limited time blends, particularly promoting and individual offering. Salespeople design promotions to generate immediate sales, so that short-term sales increase. According to Morissan (2010:331) "Sales promotion has become the method most often used by many companies to attract users to return to visit or can also be a benchmark for determining the price that must be paid by sponsors and those who want to advertise."

b. Personal Selling (Personal Selling)

According to Tiera (2012:36) "Industrial companies employ representatives and agents of manufacturing companies to carry out direct marketing tasks and it is not uncommon for direct marketing to take the form of face-to-face sales." Publicity is usually measured in the form of persuasive actions, ability to master information about the company, and professionalism in serving consumers.

Consumer loyalty

According to Fandy Tjiptono and Gregorius Chandra (2017:94) that "Consumer loyalty and customer retention are the most important management challenges faced by top executives throughout the world". Actually faithful implies steadfast, or devotion can be deciphered as dependability. This devotion is taken without any restraint, but emerges from one's claim mindfulness of the past.

According to Sangadji and Sopiah (2013: 114), there are 4 (four) or indicators in measuring consumer loyalty

- a. Say positive things about the company to others
- b. Recommend the company to others who ask for advice
- c. Consider that the company is the first choice
- d. Do more business or purchases with the company on an ongoing basis

Framework of Thinking

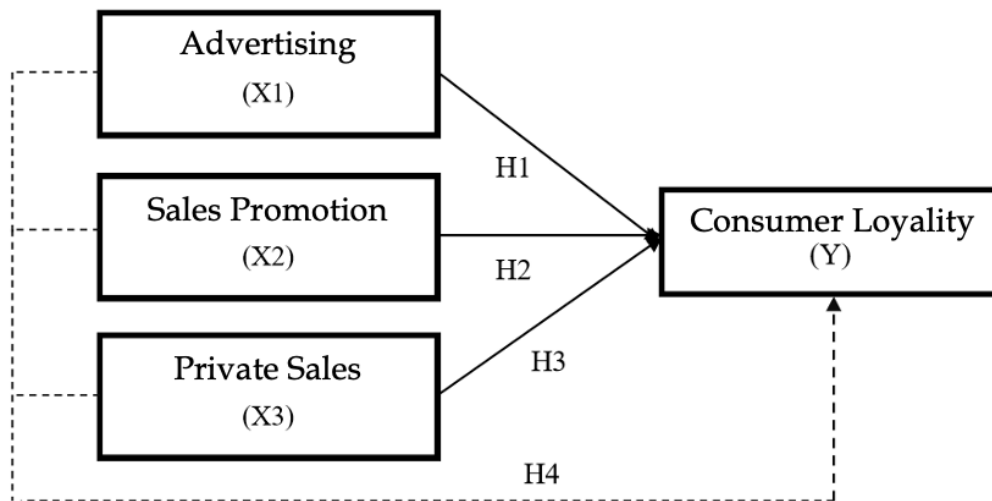


Figure 1. Framework of Thinking

Research Hypothesis

- H1: Advertising (X1) has a partial effect on customer perception (Y)
- H2: Sales promotion (X2) has a partial effect on customer perception (Y)
- H3: Personal selling has a partial effect on customer perception (Y)
- H4: Advertising, sales promotions, and personal sales have a simultaneous effect on consumer loyalty (Y)

METHODOLOGY

This type of research is an associative method. According to Juliandi (2013: 4) "The associative method is research that attempts to examine how a variable is related and related to other variables, or whether a variable is the cause of changes in other variables." With the aim of knowing the effect of promotional policies on consumer loyalty.

The population in this study were all consumers who purchased cars at Auto 2000 Sisingamangaraja Medan, totaling 1,800 people starting from January 2018 to December 2018, the number of samples or respondents in this study was 95 people. The data analysis used in this research is Simple Linear Regression. Simple linear regression analysis is aimed at determining the linear relationship between several independent variables usually called X and the dependent variable called Y.

RESULT

Steps to Test Your Results Here

Descriptive analysis in this research is a description or explanation of the results of primary data collection in the form of questionnaires that have been filled in by research respondents. The questionnaire contains 26 statements consisting of 6 items for the advertising variable (X1), 6 items for the sales promotion variable (X2), 6 items for the personal sales variable (X3), and 8 items for the consumer loyalty variable (Y). This research was measured using a Likert Scale to ask respondents' responses to the advertising variable (X1), sales

promotion variable (X2), personal sales variable (X3), and consumer loyalty variable (Y).

Table 1. Distribution of Respondents' Answers to Advertising Variables

Butir	Frekuensi										Total
	SS	%	S	%	KS	%	TS	%	STS	%	
1	27	28,4	30	31,6	19	20,0	15	15,8	4	4,2	95
2	20	21,1	31	32,6	21	22,1	18	18,9	5	5,3	95
3	26	27,4	24	25,3	22	23,2	21	22,1	2	2,1	95
4	23	24,2	32	33,7	18	18,9	19	20,0	3	3,2	95
5	22	23,2	33	34,7	18	18,9	19	20,0	3	3,2	95
6	23	24,2	27	28,4	19	20,0	23	24,2	3	3,2	95

Table 2. Distribution of Respondents' Answers to Sales Promotion Variables

Butir	Frekuensi										Total
	SS	%	S	%	KS	%	TS	%	STS	%	
1	24	25,3	30	31,6	18	19,9	18	19,9	5	5,3	95
2	27	28,4	27	28,4	17	17,9	21	22,1	3	3,2	95
3	24	25,3	28	29,5	20	21,1	17	17,9	6	6,3	95
4	25	26,3	29	30,5	17	17,9	23	24,2	1	1,1	95
5	18	18,9	35	36,8	18	18,9	20	21,1	4	4,2	95
6	23	24,2	27	28,4	19	20,0	23	24,2	3	3,2	95

Table 3. Distribution of Respondents' Answers to Personal Selling Variables

Butir	Frekuensi										Total
	SS	%	S	%	KS	%	TS	%	STS	%	
1	19	20,0	31	32,6	21	22,1	19	20,0	5	5,3	95
2	26	27,4	26	27,4	18	18,9	22	23,2	3	3,2	95
3	29	30,5	30	31,6	10	10,5	24	25,3	2	2,1	95
4	26	27,4	26	27,4	18	18,9	19	20,0	6	6,3	95
5	26	27,4	31	32,6	17	17,9	20	20,1	1	1,1	95
6	23	24,2	27	28,4	19	20,0	23	24,2	3	3,2	95

Table 4. Distribution of Respondents' Answers to the Consumer Loyalty Variable

Butir	Frekuensi										Total
	SS	%	S	%	KS	%	TS	%	STS	%	
1	23	24,2	31	32,6	20	21,1	17	17,9	4	4,2	95
2	22	23,2	34	35,8	16	16,8	22	23,2	1	1,1	95
3	26	27,4	29	30,5	19	20,0	19	20,0	2	2,1	95
4	22	23,2	31	32,6	18	18,9	18	18,9	6	6,3	95
5	23	24,2	27	28,4	19	20,0	23	24,2	3	3,2	95
6	18	18,9	37	38,9	19	20,0	19	20,0	2	2,1	95
7	21	22,1	35	36,8	17	17,9	18	18,9	4	4,2	95
8	24	25,3	30	31,6	18	18,9	20	21,1	3	3,2	95

DISCUSSION

Validity test

The questionnaire given to respondents consisted of 8 questions on the Advertising variable. The results of the analysis show that all questions can be used because $t_{count} > t_{table}$ so it can be said to meet the requirements. In this validity test, the deviation degree value is 5%, the data required is $N=95$ respondents to obtain $(df=N-2)$, $(95-2=93)$, so the t_{table} value = 0.2017.

The questionnaire given to respondents consisted of 6 questions on the Sales Promotion variable. The results of this analysis show that all questions can be used because $t_{count} > t_{table}$ so they can be said to meet the requirements. In this validity test, the deviation degree value is 5%, the data required is $N=95$ respondents to obtain $(df=N-2)$, $(95-2=93)$, so the t_{table} value = 0.2017.

The questionnaire given to respondents consisted of 6 questions on the Personal Sales variable. The results of this analysis show that all questions can be used because $t_{count} > t_{table}$ so they can be said to meet the requirements. In this validity test, the deviation degree value is 5%, the data required is $N=95$ respondents to obtain $(df=N-2)$, $(95-2=93)$, so the t_{table} value = 0.2017.

The questionnaire given to respondents consisted of 8 questions on the Consumer Loyalty variable. The results of this analysis show that all questions can be used because $t_{count} > t_{table}$ so they can be said to meet the requirements. In this validity test, the deviation degree value is 5%, the data required is $N=95$ respondents to obtain $(df=N-2)$, $(95-2=93)$, so the t_{table} value = 0.2017.

Reliability Test

The SPSS output of the Advertising Variable shows a Cronchbach's Alpha value of $0.673 > 0.60$, so it can be concluded that the advertising questionnaire is reliable. The SPSS output of the Sales Promotion variable shows a Cronchbach's Alpha value of $0.704 > 0.60$, so it can be concluded that the Sales Promotion questionnaire is reliable. The SPSS output of the Personal Sales variable shows a Cronchbach's Alpha value of $0.685 > 0.60$, so it can be concluded that the Personal

Sales questionnaire is reliable. The SPSS output of the Consumer Loyalty Variable shows a Cronchbach's Alpha value of $0.779 > 0.60$, so it can be concluded that the consumer loyalty questionnaire is reliable.

Multiple Linear Regression Analysis

The constant is 6.265. A positive constant value indicates the positive influence of the independent variable (advertising, sales promotion). If the independent variable increases or has an influence, then the dependent variable (consumer loyalty) will increase or be fulfilled by 6.265

The regression coefficient for the advertising variable is 0.471. This means that if the value of the other independent variables remains constant, then the advertising variable will increase by 0.471

The promotion regression coefficient is 0.178. This means that if the value of the other independent variables remains constant, then the promotion variable will experience an increase of 0.178.

The relapse coefficient for the deals variable is 0.391. This implies that in the event that the esteem of the other autonomous factors remains consistent, at that point the deals variable will increment by 0.391.

Partial Regression Test (t Test)

1. Effect of Advertising (X1) on Consumer Loyalty

The t-calculated value of Advertising (X1) = 3.598 with a significance of 0.001. When compared with the values of $t_{table} = 1.985$ and $sig = 0.05$, it can be seen that $t_{count} X1 (3.598) > t_{table} (1.985)$ and $Sig (0.000) < (0.05)$. The results of this analysis meet the requirements for hypothesis testing, thus it can be concluded that the advertising variable (X1) partially has a significant influence on the consumer loyalty variable (Y)

2. Effect of Sales Promotion (X2) on Consumer Loyalty

The $t_{countPromotion}$ value (X2) = 1.392 with a significance of 0.167. When compared with the values of $t_{table} = 1.985$ and $sig = 0.05$, it can be seen that $t_{count} X2 (1.392) < t_{table} (1.985)$ and $Sig (0.167) > (0.05)$. The results of this analysis do not meet the requirements for hypothesis testing, thus it can be concluded that the strength variable (X2) partially has an insignificant influence on the Consumer Loyalty variable (Y)

3. The Effect of Personal Selling (X3) on Consumer Loyalty

The value of t_{Sales} (X3) = 3.077 with a significance of 0.003. When compared with the values of $t_{table} = 1.985$ and $sig = 0.05$, it can be seen that $t_{count} X3 (3.077) > t_{table} (1.985)$ and $Sig (0.003) < (0.05)$. The results of this analysis meet the requirements for hypothesis testing, thus it can be concluded that the sales variable (X3) partially has a significant influence on the consumer loyalty variable (Y)

CONCLUSIONS AND RECOMMENDATIONS

1. All independent variables, namely advertising, sales promotions, personal sales simultaneously influence the consumer loyalty variable by 57.2%, the remaining 42.8% is influenced by other factors not examined in this research, namely Publicity and Direct Sales.
2. Based on the comes about of the concurrent test with the F test, the synchronous impact of all autonomous factors, specifically publicizing, advancement and individual deals includes a noteworthy impact on shopper dependability at Auto2000 Sisingamangaraja Medan. Where the F-count of 27.154 is more prominent than the F-table of 2.70 with a importance level of 0.000 which is littler than 0.05.
3. Partially (t test) it is known that the advertising variable has a significant effect on consumer loyalty at Auto2000 Sisingamangaraja Medan. Where tcount X1 (3.598) > ttable (1.985) and Sig (0.000) < (0.05).
4. Partially (t test) it is known that the sales promotion variable does not have a positive and insignificant effect on consumer loyalty at Auto2000 Sisingamangaraja Medan. Where tcount X2 (1.392) < ttable (1.985) and Sig (0.167) > (0.05). Does not meet the
5. Partially (t test) it is known that the personal sales variable has a significant effect on consumer loyalty at Auto2000 Sisingamangaraja Medan. Where tcount X3 (3.077) > ttable (1.985) and Sig (0.003) < (0.05).
6. The advertising variable is the most dominant variable in consumer loyalty at Auto2000 Sisingamangaraja Medan

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