

Purchase Decisions for Victory One Racing Motorcycle Variations in Surabaya

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Abstract

This study aims to determine the analysis of the influence of electronic word of mouth, discounts, and social media advertisements either simultaneously or partially on the purchasing decisions of the Victory One Racing motorcycle variation product in Surabaya. This research is a quantitative research. The population of this study are consumers who use the product victory one racing in Surabaya. The sampling technique used was purposive sampling (respondents based on predetermined criteria), with a total of 97 people as samples. The data collection technique used is a questionnaire, and the data analysis technique used is multiple linear regression analysis with the help of the SPSS program. The results show that, the significant probability number of E-WoM ($0.043 < 0.05$) so that the E-WoM variable has a significant influence on purchasing decisions, the significant probability of Discount ($0.023 < 0.05$) so that the Discount variable has a significant influence on purchasing decisions, the probability number is significant for social media advertising ($0.003 < 0.05$) so that the social media advertising variable has a significant influence on purchasing decisions. This means that the variables of E-WoM, Discounts, and Social Media Advertising partially have a significant effect on purchasing decisions.

Keywords

Electronic Word of Mouth, Discount, Social Media Advertising, Purchase Decision

1. Introduction

In the business world, especially the motorcycle industry in Indonesia, of course, with the increase in motorcycle users, companies engaged in spare parts or variations of motorcycles will also increase, even though consumers are still there but their purchasing power is still limited so that consumers are more careful in carrying out their duties. Purchasing and determining the brand on a desired product, this creates competition that creates many obstacles and challenges for business people. In Indonesia, there are several variations of brands that are known by the public. One of them is Victory. Victory is a company that runs in the field of motorcycle variations. Which is located on Jl. Kedung Cowek, This company is engaged in the variety of motorcycles. In its operational activities, Victory Company carries out various kinds of advertising on social media, discounts and also some consumers have started to talk about the promotions and discounts they do. From this phenomenon, researchers are interested in conducting research by raising the variables of Electronic Word of mouth, sales discounts, and social media advertisements to find out whether the three influence the purchasing decisions of customers.

Based on the data, product sales starting from 2020 are as follows:

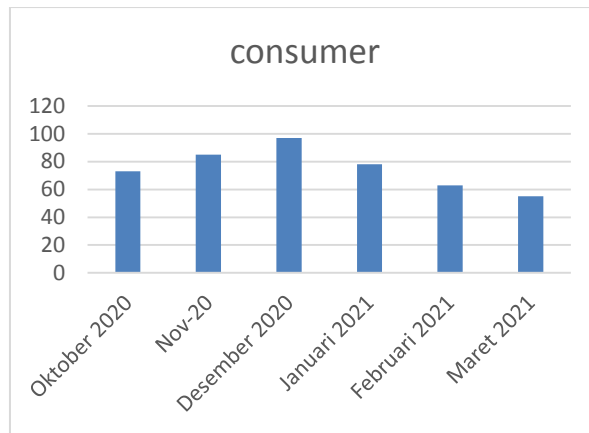


Figure 1. consumer data

Based on the data from the sale of the victory variation product sales above. It can be seen that the results of sales of Victory products from October 2020 to March 2020 have fluctuated, the demand for this product is actually quite high, it's just that the price set by the company is too high for consumers. Therefore the need for good marketing in a company, and the type of internet marketing model to achieve marketing goals by participating in various social media networks

(Litvin et al., 2008) defines electronic word of mouth as all informal communication directed at consumers through the use of internet-based technology related to the use or good characteristics of certain services or sellers. According to (P Kotler & Keller, 2012) explains that discounts are gifts made by companies for faster payments. According to (Philip Kotler, 2010) advertising as all forms of non-personal presentation, promotion of ideas, promotion of goods or services carried out by certain sponsors who are paid. According to (Peter & Carla, 2012), "The purchase decision is an integration process that combines knowledge to evaluate two or more alternative behaviors and choose one of them". From the description above this research focuses more on e-wom, discounts and advertisements and to analyze customer decisions to choose victory products so that based on this background the researcher raises the topic "**The Influence of Electronic Word Of Mouth, Sales Discounts, and Social Media Advertising on Purchase Decisions in victory one racing product in the city of Surabaya**".

Based on the description of the background above, several problems can be formulated, namely whether electronic word of mouth, discounts, social media advertising can influence purchasing decisions either partially or simultaneously.

This study aims to determine the effect of electronic word of mouth, discount, social media advertising variables on purchasing decision variables

1.1 Buying decision

According to (Peter & Carla, 2012), "The purchase decision is an integration process that combines knowledge to evaluate two or more alternative behaviors and choose one of them". According to (Philip Kotler, 2010), Purchasing Decision Indicators include:

1. Perception
2. Motivation
3. Attitude
4. Personality
5. Facilities and Infrastructure.

1.2 Electronics Word of Mouth

According to (Sernovitz, 2012), Word of Mouth is "giving people a reason to talk about your stuff and making it easier for that conversation to take place". Based on research (Jiménez, F.R & Mendoza, 2013), there are 3 indicators of electronic word of mouth as follows:

1. Intensity
2. Valence of Opinion
3. Content.

1.3 Discount

According to (P Kotler & Keller, 2012) explains that discounts are gifts made by companies for faster payments. Bulk purchases, and off-season purchases. Based on this explanation, it can be seen that a discount is a direct price reduction for certain products in a certain period of time. According to (Sutisna, 2007) discount indicators can be seen from:

1. The amount of the discount
2. Discount period
3. Types of products that get discounted prices.

1.4 Social media ads

According to (Philip Kotler, 2010) advertising as all forms of non-personal presentation, promotion of ideas, promotion of goods or services carried out by certain sponsors who are paid. The indicators that can be used to measure advertising variables according to (P Kotler & Armstrong, 2010) are as follows:

1. Finding information about a product or company from various media is easy
2. The design of the media used is attractive
3. The information conveyed in various media is clear
4. Messages contained in various media can be trusted.

1.5 Relationship Between Variables

1. The effect of online product introduction shows that current purchases are caused by the strong role of electronic word of mouth in building and activating brand image so that this makes electronic word of mouth one of the factors in determining consumer purchasing decisions.
2. This implies that purchasing decisions do not occur by themselves, but are influenced by many factors, such as discounts, services, and free shipping (Farhat, 2020).
3. Advertising will always be correlated with a purchasing decision on the product, of course a product that has advertising will encourage the emergence of a desire to buy in this case is a purchase decision.

1.6 framework of thinking

Based on the literature review, a framework of thought is made that employee performance is influenced by leadership style and work motivation. The framework is described as follows:

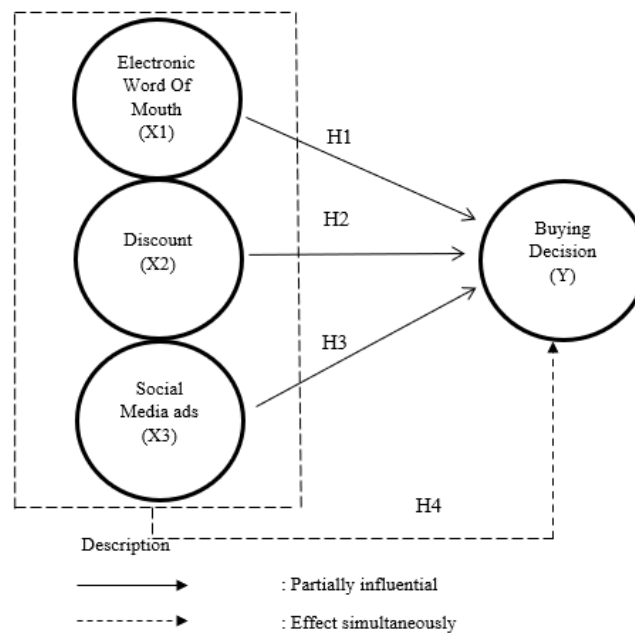


Figure 2. kerangka pemikiran

1.7 Hipotesis

H1: Electronic Word of mouth (X1) partially has a positive and significant effect on purchasing decisions (Y).

H2: Discount (X2) partially has a positive and significant effect on purchasing decisions (Y).

H3: Social media advertisements (X3) partially have a positive and significant effect on purchasing decisions (Y).

H4: Electronic Word of mouth (X1), Discounts (X2), Social media advertisements (X3) partially have a positive and significant effect on purchasing decisions.

2. Methodology

This study uses quantitative methods with an objective research approach that includes the collection and analysis of quantitative data and uses statistical testing methods. Quantitative Research consists of two types, namely Surveys and Experiments (Hermawan & Yusran, 2017).

2.1 Research Location and Time Plan

This research was conducted on research respondents, namely consumers who have used/purchased Victory products in the city of Surabaya. The implementation of field research is by distributing questionnaires which are planned to be carried out in June-July 2021. As for the overall research from proposal writing to thesis preparation, namely from March - July 2021.

2.2 Population and sample

Population according to Sugiono in (Rukajat, 2018) is a generalization area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions. It can be concluded that the population is the whole object that has certain characteristics based on the area determined by the researcher. The population in this study are customers who have used victory products in the city of Surabaya.

The type of sampling is non probability sampling using purposive sampling technique. Purposive sampling selects sample members from the population determined by the researcher alone (Sumargo, 2020 : 20). To determine the number of samples in this study using the Chocran formula. Because the population is unknown, the sampling technique used in this study uses the Chocran formula in (Sugiyono, 2017). In this study, the level of confidence used is 95%, with a Z^2 value of 1.96 and a margin of error of 10% and the probability of being wrong and right is assumed to be 50%. Then the minimum number of samples in this study is 97.

3. Result and Discussion

This research data was taken using a questionnaire by distributing an online google form containing questions that must be answered to users of the winning product. The sample in this study is the user of the victory product in Surabaya. This questionnaire has been consulted with the supervisor before being informed. This data collection was carried out for 1 month for users of victory products in the city of Surabaya. The total number of questionnaires that have been distributed is 97 and all questionnaires have been filled in completely. So that the questionnaire can be directly analyzed and processed

The results of distributing questionnaires by researchers are as follows:

3.1 Validity test

Table 1. Validity test results

Variabel	Rata-rata r hitung	R table
E-WoM	0,751	0,168
Discount	0,777	0,168
Social media advertisements	0,771	0,168
Buying Decision	0,778	0,168

Based on the table above, it is stated that the data obtained from distributing questionnaires by researchers are valid. This is evidenced by the number of calculated r in each variable is greater than r table. The number of r tables = 0.168 (df = n-2 -> df = 97 - 2 = 95, with a significance of 0.05), and the significance value for each variable has a value less than 0.05 and is positive.

3.2 Reliability test

Reliability test is to measure the reliability of an instrument, in this study used Cronbach's Alpha coefficient. According to Nunnally in (Ghozali, 2011) the instrument is said to be reliable if the alpha value is 0.6. This shows that these measurements can provide consistent results, if repeated measurements are made on the same subject.

Table 2. Reliability test result

Variabel	Cronbach's Alpha	Status
E-WoM	0,619	Reliable
Discount	0,687	Reliable
Social media advertisements	0,667	Reliable
Buying decision	0,672	Reliable

It can be seen from table 4. above, from the data this research has Cronbach's alpha which is above 0.60 all, then this research data can be declared reliable and trustworthy.

3.3 Classic assumption test

1. Normality test

Several assumptions must be met so that the conclusions from the testers' results are unusual, including:

Table 3. Normality Test Results

One-Sample Kolmogorov-Smirnov Test

	Unstandardized Residual
N	97
Asymp. Sig. (2-tailed) ^c	0,200 ^d

The normality test in this study states that the data obtained from the distribution of the questionnaire by the researcher is data with a normal distribution. This can be proven with Asymp. Sig (2 tailed) with a value of 0.200 indicates that the value is greater than 0.05, which means that the data is normally distributed (according to the basis for decision making in the research methodology chapter).

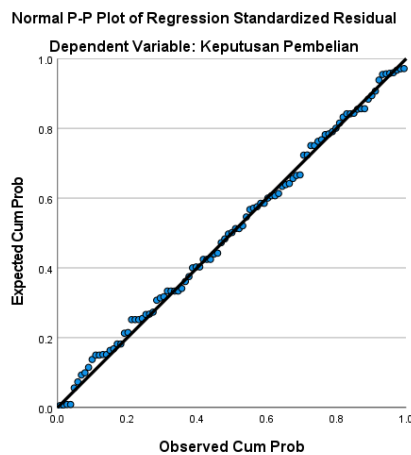


Figure 3. P-Plot Normality Test Results

It can be seen that the p-plot normality graph above shows that all existing data are normally distributed, because all data spreads to form a straight diagonal line, then the data meets the normal assumption or follows the normality line.

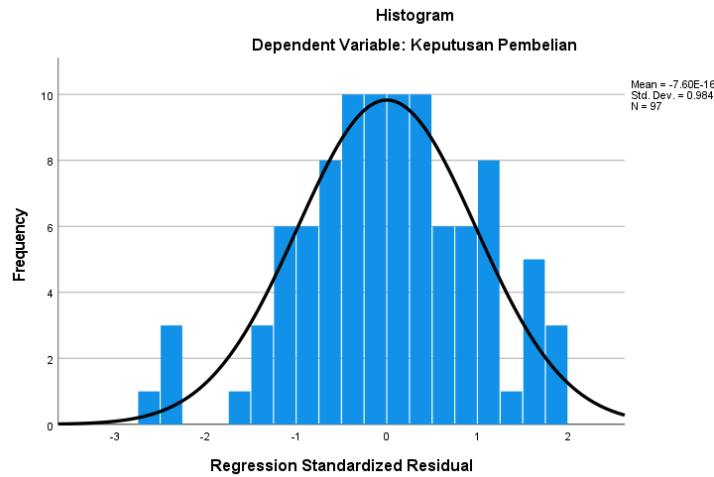


Figure 4. Histogram Normality Test Results

In the picture above shows the results of testing the normal distribution with the Kolmogorov Smirnov method to strengthen the normal plot graph test, a significance value of > 0.05 is obtained, so the regression model is normally distributed. , because the data form a pattern like a mountain, then the data meets the normal assumption.

3.4 Multicollinearity Test

According to (Ghozali, 2011) the multicollinearity test aims to test whether there is a correlation between the independent variables (independent) in the regression model. To detect the presence or absence of multicollinearity in the regression model, it can be done by looking at the tolerance value and the Variance Inflation Factor (VIF) value. if the tolerance value is > 0.10 and the VIF value is < 10 , then there is no multicollinearity problem. The results of the multicollinearity test were measured by statistical data which can be seen in the table below.

Table 4. Multicollinearity Test Coefficients^a

	Collinearity Statistics	
	Tolerance	VIF
E-WoM	.746	1.340
Discount	.769	1.300
Social media advertisements	.966	1.035

Based on the table above, it can be seen that the regression model does not experience multicollinearity disorders. This can be seen in the tolerance value of each independent variable which is greater than 0.1. The results of the VIF calculation also show that the VIF value of each independent variable is less than 10. So it can be concluded that there is no multicollinearity between the independent variables in the regression model.

3.5 Heteroscedasticity Test

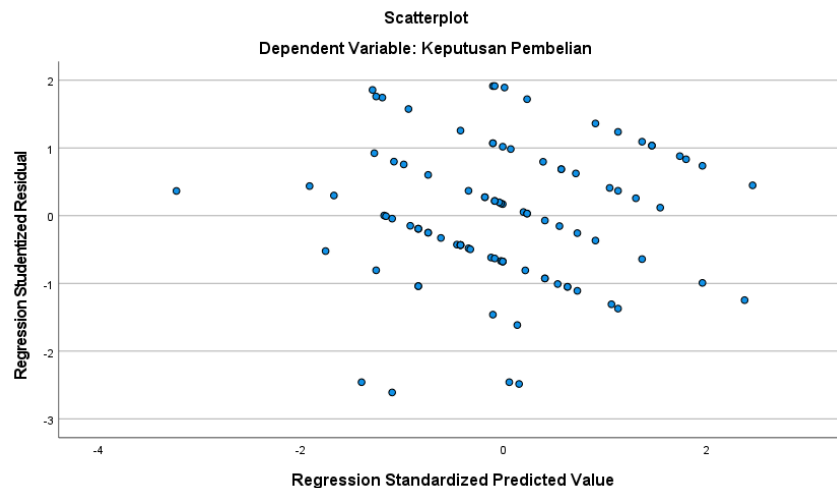


Figure 5. Heteroscedasticity Test Result

It can be seen that the points spread randomly and are spread both above and below 0 on the Y axis, and there is no certain pattern, this concludes that there is no heteroscedasticity

3.6 Hypothesis testing

1) T test

Table 5. T Test Results
Coefficients^a

Variabel	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.691	1.625		2.272	.025
E-WoM	.219	.107	.212	2.047	.043
Diskon	.231	.100	.237	2.317	.023
Iklan media sosial	.285	.093	.280	3.078	.003

- The test results for the E-WoM variable (X1) have a t-count value of 2.047 with a sig value of 0.043 which means it is lower than the value of = 0.050. Based on this, it can be concluded that the E-WoM variable (X1) partially has a significant influence on the Purchase Decision variable (Y).
- The test results for the Discount variable (X2) have a t-count value of 2.317 with a sig value of 0.023 which means it is lower than the value of = 0.050. Based on this, it can be concluded that the Discount variable (X2) partially has a significant influence on the Purchase Decision variable (Y).
- The test results for the social media advertising variable (X3) have a t-count value of 3.078 with a sig value of 0.003 which means it is lower than the value of = 0.050. Based on this, it can be concluded that the social media advertising variable (X3) partially has a significant influence on the Purchase Decision variable (Y).

2) F test

Table 6. F Test Result
ANOVA^a

Variabel	Sum of Squares	df	Mean Square	F	Sig.
Regression	45.072	3	15.024	10.568	<.001 ^b
Residual	132.207	93	1.422		
Total	177.278	96			

Based on the table of f test results above, it is known that the calculated f value is 10.568 and the significance value is <.001 which is smaller than the value of 0.05. Based on this, it can be concluded that the variables of E-WoM, Discounts, and Social Media Advertising simultaneously affect the Purchase Decision variable.

3.7 Multiple Regression Analysis

Table 7. Test Multiple Regression Analysis Results
Coefficients^a

Variabel	Unstandardized Coefficients		Standardized Coefficient	t	Sig.
	B	Std. Error			
(Constant)	3.691	1.625		2.272	.025
E-WoM	.219	.107	.212	2.047	.043
Diskon	.231	.100	.237	2.317	.023
Iklan media sosial	.285	.093	.280	3.078	.003

Based on the results of the analysis in table 7. the linear regression equation is obtained as follows:
 $Y = 3,691 + 0,219 X_1 + 0,231 X_2 + 0,285 X_3 + e$

Based on the multiple linear equations, it can be described as follows:

1. The regression coefficient value of the E-WoM variable (β_1) is 0.219, meaning that if the E-WoM is increased by one unit with the assumption that the Discount and Social Media Advertising variables are considered constant, it will increase the Purchase Decision by 0.219.
2. The regression coefficient value of the Discount variable (β_2) is 0.231, meaning that if the discount is increased by one unit assuming the E-WoM and social media advertising variables are considered constant, it will increase the Purchase Decision by 0.231.
3. The regression coefficient value of the social media advertising variable (β_3) is 0.285, meaning that if the social media advertising is increased by one unit assuming the E-WoM and Discount variables are considered constant, it will increase the Purchase Decision by 0.285.

3.8 Test Coefficient of Determination (R^2)

Table 8. Test Coefficient of Determination Results
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.504 ^a	.254	.230	1.192

Based on the table above, it shows that the value of Adjusted R Square in this study is 0.230 or 23.0%, which means that the magnitude of the influence (independent variable) of E-WoM, Discounts, and social media advertising on purchasing decisions (the dependent variable) is 23.0% while the remaining 77.0% is influenced by other variables.

Based on the results of the analysis carried out by researchers using the SPSS 28.0 tool, it states that of the three hypotheses presented by the researchers, all variables are accepted

1. The Effect of Electronic Word of Mouth on Purchase Decisions

Based on the test results, the t-count value for the Electronic Word of Mouth variable on purchasing decisions shows the t-count value = 2.047 < t table 1.986 with a significance of 0.043 < 0.05, which means it is significant. Thus the first hypothesis is accepted.

2. The Effect of Discounts on Purchase Decisions

Based on the test results, the t-count value for the discount variable on purchasing decisions shows the t-count value = 2.317 < t table 1.986 with a significance of 0.023 < 0.05, which means it is significant. Thus the second hypothesis is accepted.

3. The Effect of Social Media Advertising on Purchase Decisions

Based on the test results, the t-count value for the social media advertising variable on purchasing decisions shows the t-count value = 3.078 < t table 1.986 with a significance of 0.003 < 0.05, meaning that it is significant, thus the third hypothesis is accepted.

4. Conclusion

1. Electronic Word of Mouth (X_1) has a significant positive effect on purchasing decisions (Y). Where the regression coefficient is 2.047 (positive) with a significance of 0.043 < 0.05, which means it is

significant. It can be interpreted that the Electronic Word of Mouth variable has an effect and is significant on purchasing decisions.

- Discount (X2) has a significant positive effect on Purchase Decision (Y). Where the regression coefficient is 3.078 (positive) with a significance of $0.023 < 0.05$, which means it is significant. This can be interpreted as an influential and significant discount variable on purchasing decisions.
- Social media advertisements (X3) have a significant positive effect on Purchase Decisions (Y). Where the regression coefficient is 3.078 (positive) with a significance of $0.003 < 0.05$, which means it is significant. This can mean that social media advertising variables have an effect and are significant on purchasing decisions.
- Electronic Word of Mouth (X1), Discount (X2) and Social Media Advertising (X3) variables have a simultaneous effect on Purchase Decision (Y) with a significant value less than 0.05, which is < 0.001 .

5. Suggestion

- For further research, it is expected to examine or add other variables because the significance for the Electronic Word of Mouth variable, Discounts and Social Media Advertising on Purchase Decisions is still low. It is expected that with the addition of these other variables there is a greater influence on customer satisfaction.
- The company is expected to continue to improve and maintain E-WoM, Discounts, and Social media advertising from the products it produces, because these three components are proven to be able to create purchasing decisions. The company is also expected to always evaluate these components or other components on a regular basis in order to compete with competitors so that customers remain loyal and loyal to the company.

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