ANALYSIS THE INFLUENCE OF PRODUCT KNOWLEDGE, SALE PROMOTION AND PRICE TOWARDS CONSUMER PURCHASE DECISION AT MEIKARTA CONSUMER IN MANADO

ANALISIS PENGARUH PENGETAHUAN PRODUK, PROMOSI DISKON DAN HARGA TERHADAP KEPUTUSAN PEMBELI KEPADA KONSUMEN MEIKARTA DI MANADO

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Abstract: Meikarta is the largest project ever developed by Lippo Group over the last 67 years. Meikarta will become the largest and most beautiful city in Southeast Asia to provide quality of life and a better place to work. Meikarta comes with a vision to create quality housing at affordable prices, in an effort to help the government reduce the number of home backlog of 11.4 million units. Initial survey showed sales of Meikarta influenced by product knowledge, sale promotion, and price especially in determining consumer purchase decisions. The purpose of this study to determine the effect of product knowledge, sale promotion, and price either simultaneously or partially on consumer purchase decisions at Meikarta Project. The method used associative using multiple linear regression analysis. The study population were 60 respondents who live in the city of Manado. The results show product knowledge, sale promotion, and price simultaneously and partially influence on Consumer Purchase Decision. Meikarta Group Management should increase the value of product attributes by improving product knowledge, sale promotion and price to encourage consumer purchase decisions.

Keywords: *product knowledge, sale promotion, price, consumer purchase decision*

Abstrak: *Meikarta adalah proyek terbesar yang pernah dikembangkan oleh Lippo Group selama 67 tahun terakhir. Meikarta akan menjadi kota terbesar dan terindah di Asia Tenggara untuk memberikan kualitas hidup dan tempat yang lebih baik untuk bekerja. Meikarta hadir dengan visi untuk menciptakan perumahan berkualitas dengan harga terjangkau, dalam upaya membantu pemerintah mengurangi jumlah backlog rumah sebesar 11,4 juta unit. Survei awal menunjukkan penjualan Meikarta dipengaruhi oleh pengetahuan produk, promosi penjualan, dan harga terutama dalam menentukan keputusan pembelian konsumen. Tujuan penelitian ini untuk mengetahui pengaruh pengetahuan produk, promosi penjualan, dan harga baik secara simultan maupun parsial terhadap keputusan pembelian konsumen di Meikarta Project. Metode yang digunakan asosiatif menggunakan analisis regresi linier berganda. Populasi penelitian adalah 60 responden yang tinggal di kota Manado. Hasilnya menunjukkan pengetahuan produk, promosi penjualan, dan harga secara simultan dan sebagian mempengaruhi Keputusan Pembelian Konsumen. Manajemen Grup Meikarta sebaiknya meningkatkan nilai atribut produk dengan meningkatkan pengetahuan produk, promosi penjualan dan harga untuk mendorong keputusan pembelian konsumen.*

Kata kunci : pengetahuan produk, promosi diskon, harga, keputusan pembeli

INTRODUCTION

Research Background

Ullah and Wee (2013) mentioned half the world's population now lives inthe cities. By 2030, 60% of the world will reside in the urban areas and by 2050, the proportion is likely to reach 75%. Much of the urban growth will come from cities in Asia, especially China and India. Of the projected 5.3 billion urban populations in the developing World in 2050, Asia will host some 63% or 3.3 billion urban dwellers. It is absolutely true that they are looking at the environment of their housing surrounding if the environment is healthy and natural most of them want to live in that area. Majority of the housing property business organizations are using this strategy to expand the business in the market of properties. The attractive sounds city, park city, olive city, green city and so one are using as a strategic marketing to catch the customers. Even some of the housing property organizations are highlighting the both internal and external environment to achieve the business goal. As a result the people who lives in the city they are having minimum natural environment.

As national macroeconomic regulation and control policy, it makes three line city real estate enterprise to face serious challenges, how to do a good job of marketing and how to design marketing strategies to expand sales have become a key problem. The research of marketing strategies of Three line city real estate, can better provide effective development strategies for the development of real estate enterprises, and has strong reference significance.

In Indonesia, despite the slowing economy, most Indonesians consumers remain satisfied with the property market in Indonesia, according to the latest property survey report by local property portal *Rumah.com* and Singapore-based research firm Intuit Research. The *Rumah.com* Property Affordability Sentiment Index for the second half of 2017 survey showed that 63 percent of respondents were satisfied with the Indonesian property market in the first half of 2017, a sound result although lower than in the second half of 2016, when the satisfaction rate stood at 66 percent (Sulistiyono, 2017). Property consumers in Indonesia, were happy with the Indonesian property market because of the trend of increasing prices in the property market, aside from the high return potential for long term investments. The growing economy, which is predicted to reach 5.3 percent growth in 2018, the successful tax amnesty program and Indonesia's status as the country with the largest gross domestic product (GDP) in Southeast Asia also contributed to the respondents' satisfaction.

Meikarta Project has announced by Indonesian real estate giant Lippo Group with total capital Rp. 278 trillion ($20.9 billion). Meikarta is a whole new city on the outskirts of Jakarta that will house up to 8 million people once finished

Meikarta Project is not only marketing its products only around Jakarta and Java but also throughout Indonesia. This is because the potential and opportunities for consumers from outside Jakarta and Java is very large. This includes consumers who need property in Manado and North Sulawesi. In order for consumers in Manado to buy products from Meikarta then the company needs to implement a suitable marketing strategy to understand consumer behavior in Manado. The reason why people choose Meikarta because Meikarta is simply another mega-project made by a corporation, and location of this enormous city is at the heart of Indonesia's economic activities in the Greater Jakarta-Bandung corridor.

Research Objectives

The purpose of this research is to analyze the influence of Product Knowledge, Sale Promotion towards Consumer Purchase Decision at Meikarta Project Consumer in Manado.

THEORITICAL FRAMEWORK

Marketing

Burns and Bush (2006) defined marketing as an organization function, not a group of persons or separate entity within the firm. Marketing is also a set of process and not a single tactic such as creating and end-aisle display. The processes create, communicate, and deliver value to customer. It is not trying to sell customer something; rather, it is providing customers with something they value. American Marketing Association (2013) defined marketing is the activity, set of institutions, and processes for creating,

communicating, delivering, and exchanging offerings that have value for customers, clients, partners and society at large. This means marketing focuses on making the product available at the right place, at the right time, and at a price that is acceptable to customers.

Purchase Decision

Rong (1999) defined consumer decision as the choice being made by the consumer following a careful assessment of the variable options, which were made apparent by the information collected from many sides after having a clear goal in mind. Assael (2004) proposed that, as shown by related researcher, the decision-making process involve five stages: problem recognition, information search, alternative evaluation, choice, and outcome. Peter and Olson (2004) pointed out that consumer decision are target-oriented, and that consumers always need to make choice regarding the different decisions during the process of problem-solving.

Product Knowledge

Lubis (2015) defined product knowledge is a collection of information about a product. This knowledge includes product category, brand, product terminology, attributes or product features, product prices and confidence in the product. Consumers' knowledge of every product is different, there is a catch-up by coming directly to the source, and some are finding out info from surroundings.

Sale Promotion

Sales promotion is a collection of tools mostly short-term incentives designed to stimulate the purchase of faster or more of the specific products or services by consumers or trade (Kotler, 2009).

Price

Kotler and Amstrong (2010) dfined price is the amount of money charged for a product or services or the sum of the values that customers exchanges for the benefits of having or using the product or services. Stanton, Michael and Bruce (1994) defined price as the amount of money or goods needed to acquire some combination of another goods and its companying services.
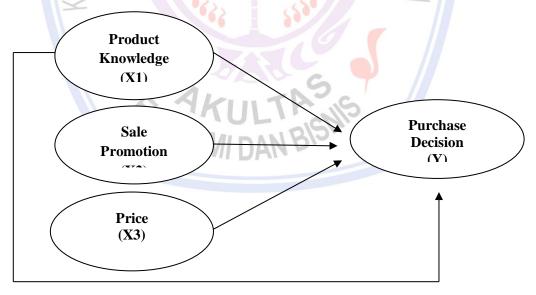
Conceptual Framework

Figure 1. Conceptual Framework

RESEARCH METHOD

Type Research, Place and Time

This research explains the method used in this research, starting from the types of research, place and time of research, conceptual framework, data collection method, operational definition and measurement of

research variables and the data analysis method. The research will be conducted in Manado City on July 2016. The object of this research is the consumer of Meikarta Project from Lippo Group in Manado and North Sulawesi consumers.

Research Procedure

Based on the previous section, it can be seen that the influence of product knowledge, sale promotion and price. Furthermore, those relationship can be systematically formed at figure below. Based on the conceptual framework and hypotheses in this study, this study aims to find the influence of product knowledge (X_1) sale promotion (X_2) and price (X_3) on purchase decision (Y) simultaneously and partially. Simultaneously means, this study aims to find out if there is a significant effect of all the independent variable $(X_1, X_2$ and $X_3)$ on the dependent variable (Y). While partially means, to find out if there is a significant effect of each independent variables (X_1), (X_2) (X_3) on dependent variable (Y).

Population and Sample

For this current research, there are two main parts of respondents, sources that are used to obtain result of data

Population

Population is the entire group of people, events, or things of interest that the researcher wishes to investigate. It is the group of people, events, or things of interest for which the researcher wants to make inference (Sekaran and Bougie, 2009). The population in this research is all consumers of Meikarta Project by Lippo Group in Manado.

Sample

Sample is a subset of a population that comprises some members selected from it. The sampling technique in this research is convenience sampling (non-probability sampling) which is the number of sample is determined according to the purpose of the research. Convenience sampling is a kind of non-probability or nonrandom sampling in which member of the target population. This method of sampling in this research is multiple regression analyses and sample size which the desired level is between 15 to 20 observations for each predictor variable.

Data Collection Method

For this current research, there are two sources of data that are used to make an appropriate result.

Primary Data

Primary data is a data is collected by researcher directly from the first sources or object where the research is conducted (without media intermediaries).

Secondary Data

Secondary data is data collected for some purpose other than the problem at hand. The secondary data is taken from book, journals, and relevant literature from library and internet. These secondary data are used in the background, literature review, theoretical review, research method, and discussion.

Data Analysis Method

This given section will be explained about the overall analysis methods used in this current research.

RESULT AND DISCUSSION

Result

This chapter describes and contains about research result which can be in the form of table, figure, picture, photo, etc.

Table 1. Validity test

Variables	Indicators	Correlation (r)		
		R	**Sig**	**Explanation**
Product Knowledge (X_1)	X1.1	0,915	0.000	Valid
	X1.2	0,964	0.000	Valid
	X1.3	0,975	0.000	Valid
	X1.4	0,909	0.000	Valid
	X1.5	0,932	0.000	Valid
Sale Promotion (X_2)	X2.1	0,626	0.000	Valid
	X2.2	0,910	0.000	Valid
	X2.3	0,846	0.000	Valid
	X2.4	0,790	0.000	Valid
	X2.5	0,680	0.000	Valid
Price (X_3)	X3.1	0,897	0.000	Valid
	X3.2	0,977	0.000	Valid
	X3.3	0,919	0.000	Valid
	X3.4	0,914	0.000	Valid
	X3.5	0,932	0.000	Valid
Consumer Purchase Decision (Y)	Y1.1	0,936	0.000	Valid
	Y1.2	0,961	0.000	Valid
	Y1.3	0,972	0.000	Valid
	Y1.4	0,940	0.000	Valid
	Y1.5	0,955	0.000	Valid

Source: Data Processed (2018)

Based on Table 1 shows that the whole item of questions for the variable as the results of X1.1 to X1.5, X2.1 to X2.5, X3.1 to X3.5 variables, the value of R is higher than 0,232, as well as the value of critical value (> CR) which is 0,30. In term of identifying the indicators of all variables, it is being already valid.

Reliability of the Research

Table 2 below are the result of test reliability testing research questionnaire used as guidelines to measure the level of variables in this study. According to Hartono (2012) measurements must measure actually was measured with a reliability test.

Table 2. Reliability Test Result

Variables	Indicators	Coefficients	
		Alpha Cornbach	Explanation
Product Knowledge (X1)	X1.1 X1.2 X1.3 X1.4 X1.5	0,966	Reliable
Sale Promotion (X2)	X2.1 X2.2 X2.3 X2.4 X2.5	0,815	Reliable
Price (X3)	X3.1 X3.2 X3.3 X3.4 X3.5	0,959	Reliable
Purchase Decision (Y)	Y1.1 Y1.2 Y1.3 Y1.4 Y1.5	0,974	Reliable

Source: Data Processed (2018)

Based on the reliability test results shown in Table 2, all variables in this study expressed a reliable instrument. This is in accordance with predetermined criteria which Cronbach Alpha value is generated each variable is above the critical value suggested. Suliyanto (2005) states can be said to be a reliable instrument if it has a reliability coefficient reliability> alpha value or if the value of alpha> of table Spearman Rho, df = (α, n-2) means that the variable is declared unreliable. The reability of all variables in all indicators shows the result is higher than 0.60, this case is identified that the stated variable is being reliable.

Multiple Regression Method

The analysis used in this study is the multiple linear regression analysis. Multiple linear regression analysis regress where the dependent variable (Y) relates to more than a variable. This analysis to determine the direction of the relationship between the dependent and independent variables whether each independent variable positively or negatively, and to predict the value of the dependent variable when the independent variable values increase or decrease.

Classic Assumption of Regression Analysis

Linear regression model can be said as a good model if it meet the classical classical assumptions. Therefore, the classical assumption is indispensable before doing regression analysis (Sarjono and Julianita, 2011).

Multicolinearity Test

Multicollinearity test aims to test whether the regression model found a correlation between the independent variables, where a good regression model should not happen correlation between the independent variables (Ghozali , 2007).

Heteroscedasticity Test

Heteroscedasticity test aims to test whether the regression model occurred inequality residual variance from one observation to another observation (Ghozali, 2007). A good regression model is that not happen heteroscedasticity or referred happen homoscedasticity.

Linearity Test

Linearity test aims to determine whether or not a normal distribution of data (Sarjono and Julianita, 2011), it is associated with the t test and F test that assumes that the residual value of the linear or normal distribution. If this assumption is violated, the test statistic becomes invalid (Ghozali , 2009) .

Correlation Coefficient and Determination Coefficient Test Results

The influence of product knowledge (X_1), sale promotion (X_2), and prise (X_3) can be seen via the correlation coefficient is mainly used to consumer purchase decision in Meikarta Project Consumer in Manado. The correlation coefficient R is 0.525 or this suggests that the influence of product knowledge (X_1), sale promotion (X_2), and price (X_3) to the consumer purchase decision, have a positive effect for 0.525, or 52.5 per cent.

Coefficient of Determination results, or R square (r^2) is 0.276 which showed that 27.6 per cent of consumer purchase decision, influenced by product knowledge (X_1), sale promotion (X_2), and price (X_3) while the rest: 0.724 or 72.4 per cent (1-.0.276 = 0.724 or 100 per cent – 27.6 per cent = 72.4 per cent) influenced by other causes are not examined in this study.

Hypothesis Testing Simultaneously (F Test)

Hypothesis testing jointly carried out by using F Test. F Test performed to test the significance of the relationship between independent variables and the dependent variable overall. F-test was conducted to determine the effect of product knowledge (X_1), sale promotion (X_2), and prise (X_3) on consumer purchase decision, to test the hypothesis. Hypothesis test the effect of simultaneously using an F. The test is done by comparing the calculation results with a significant level of significance level of 0.05 (5 %) with the following criteria:

a. If F $_{count}$ (sig) $\Box\Box$0,05 then Ho accept and Ha refuse
b. If F $_{count}$ (sig) $<\Box$ 0,05 then Ho refuse and Ha accept

The test results for the overall regression model variables indicate the value of F count = 7,119 with 0.000 significance. By using the 0.05 limit (5 per cent). The results found that the significance value less than 0.05 (<5 per cent). With the direction of the positive coefficients, thus found that the hypothesis that the variable product knowledge (X_1), sale promotion (X_2), and price (X_3) together have a significant effect on consumer purchase decision is accepted or proven. Based on the results of hypothesis testing in particular the model of the research, especially in F Test, consist about model test or simultaneously impact of independent variable to depended variable found that the research model consisting of : product knowledge (X_1), sale promotion (X_2), and price (X_3) has a positive and significant influence on consumer purchase decision. This model applies at Meikarta Project Consumers in Manado

Partial Hypothesis Testing (t Test)

To see the effect of the partial between consumer attitude (X_1) , and brand equity (X_2) , can be seen in Table coefficient in Table 4.6. T test is done to see presence / absence of the influence of change management, and organizational culture on employee performance in Sam Ratulangi University Recto rate. T test can be performed by using the criteria of hypothesis testing:

a. If t $_{count}\leq$ t $_{table}$ ($\Box$ = 0,05), than H$_o$ accept and H$_a$ reject.

b. If t $_{count}$> t $_{table}$ ($\square$ = 0,05), than H$_o$ reject and H$_a$ accept.
1.   Product knowledge variable, t count 2.811 > t table 1.679, thereby Ha accepted, and reject Ho who claim there is no influence of product knowledge to consumer purchase decision. Thus the second hypothesis which states there is the influence of product knowledge to consumer purchase decision is accepted or proven. Sale promotion variable, t count 3.617 > t table 1.679, thereby Ha accepted, and reject Ho who claim there is no influence of sale promotion to consumer purchase decision. Thus the third hypothesis which states there is the influence of sale promotion to consumer purchase decision is accepted or proven.
2.   Price variable, t count -1.044 < t table 1.679, thereby Ha not accepted, and accepted Ho who claim there is no influence of price to consumer purchase decision. Thus the fourth hypothesis which states there is the influence of price to consumer purchase decision is not accepted or not proven

According to the result show above, this research finding are:
1.   Hypothesis testing found that product knowledge has significant and positive impact on consumer purchase decision. Product knowledge has the second highest impact on consumer purchase decision compare to other variable.
2.   Hypothesis testing found that sale promotion has significant and positive impact on consumer purchase decision. Sale promotion has the highest impact on consumer purchase decision compare to other variable. Hypothesis testing found that price has not significant and negative impact on consumer purchase decision.

Discussion

        Product knowledge is a collection of information about the product. This knowledge includes the brand, products, terminology products, attributes or features of the products, prices and confidence in the product. Every consumer has the level of knowledge of a product that is different. Product knowledge can be obtained from the product itself as well as from the experience of previous use of the product, advertising, interaction with salespeople, information from friends or the media, the previous decision making or use of the product and recall from consumers.
        Based on the results of statistical tests found that simultaneously Product Knowledge, Sale Promotion and Price influence on consumer purchase decision. The results of this study indicate that the model is suitable or fit for the selected F test and test results showed that Product Knowledge, Sale Promotion and Price influence on consumer purchase decision simultaneously and significant on consumer Meikarta in Manado.

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CONCLUSION AND RECOMMENDATION

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Conclusions
1.   Based on the results of hypothesis testing in particular the model of the research found that the research model consisting of: product knowledge, sale promotion and price together have positive and significant influence on consumer purchase decision. This model applies in Meikarta Project Consumers in Manado.
2.   Based on the results of hypothesis testing found that product knowledge has significant and positive impact on consumer purchase decision on Meikarta Project Consumers in Manado. Product knowledge has the second highest impact factor through consumer purchase decision compare to other variables.
3.   Based on the results of hypothesis testing found that sale promotion has significant and positive impact on consumer purchase decision on Meikarta Project Consumers in Manado. Sale promotion has the highest impact factor through consumer purchase decision compare to other variables.
4.   Based on the results of hypothesis testing found that price has not significant and has negative impact on consumer purchase decision on Meikarta Project Consumers in Manado. Price become variable with no impact to consumer purchase decision in this research.
Based on the results of hypothesis testing found that price has not significant and has negative impact on consumer purchase decision on Meikarta Project Consumers in Manado. Price become variable with no impact to consumer purchase decision in this research.

Recommendations
1. Sale promotion must become important strategy of Meikarta management in Manado in order to improve consumer and sales growth in Manado. Manado as one of major city in east Indonesian region must become Meikarta stepping stone to conquer consumer market especially in Meikarta real estate in Indonesia.

2. Product knowledge also must become Meikarta focus to increase sales and consumer in Manado. Product knowledge must become company focus to educate the consumers and the market so consumer will understand benefit and future profit investment from invest in Meikarta property.

Other researchers are focusing on the research field of management science and the science of marketing management needs to pay attention to these findings by replicating the results of this research on the object of other research in other organization

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