

THE INFLUENCE OF DIRECT MARKETING AND ADVERTISING TOWARD CUSTOMER PURCHASE INTENTION IN APPLYING CONSUMER LOAN FOR GOVERNMENT EMPLOYEES AT PT.BANK SULUT AMURANG BRANCH

*PENGARUH PEMASARAN LANGSUNG DAN IKLAN TERHADAP MINAT BELI KONSUMEN
DALAM MENERAPKAN KREDIT KONSUMEN UNTUK PEGAWAI NEGERI SIPIL DI
PT.BANK SULUT CABANG AMURANG*

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ABSTRACT

An era that had been developed at this time, competition make the business required to be able to carry out strategies to retain their business. Companies must deliver products and services by using promotion mix, company had to understand the behavior of consumers in order to maintain customer. The main objective of this study is to understand the influence of direct marketing and advertising toward customer purchase intention in applying consumer loan for government employees at PT.Bank Sulut Amurang Branch. 50 customers of PT.Bank Sulut Amurang were surveyed as respondents. The result indicated that Advertising have a significant influence on customer purchase intention and direct marketing does not have a significant influence on customer purchase intention. This study suggests for government employees that want to develop their business but have not enough money, so they can take consumer loan for government employees that PT.Bank Sulut provide.

Keyword: *Direct Marketing, Advertising, Customer Purchase Intention*

ABSTRAK

Di era yang semakin berkembang saat ini, kompetisi membuat bisnis diperlukan untuk dapat melaksanakan strategi untuk mempertahankan bisnis mereka. Perusahaan harus menyampaikan produk dan jasa menggunakan bauran promosi, perusahaan harus memahami perilaku konsumen untuk mempertahankan pelanggan. Tujuan utama dari penelitian ini adalah untuk mengetahui pengaruh pemasaran langsung dan iklan terhadap niat beli konsumen dalam menerapkan kredit konsumen untuk pegawai negeri sipil di PT.Bank Sulut Cabang Amurang. Data dikumpulkan melalui kuisioner yang dibagikan pada 50 konsumen di PT.Bank Sulut cabang Amurang dan analisis regresi berganda digunakan untuk menguji hubungan antara variabel. Hasilnya menunjukkan bahwa iklan mempunyai pengaruh signifikan pada niat beli konsumen dan pemasaran langsung tidak memiliki pengaruh signifikan terhadap niat beli konsumen. Studi ini menyarankan bagi pegawai negeri sipil yang ingin mengembangkan bisnis mereka tetapi tidak mempunyai uang yang cukup, sehingga mereka bisa mengambil kredit konsumen untuk pegawai negeri sipil yang ditawarkan PT.Bank Sulut.

Kata Kunci: Pemasaran Langsung, Iklan, Niat Beli Konsumen

1. INTRODUCTION

Research Background

An era that had been developed at this time, activities in the field of marketing today has a very important role in the business world, competition is more and more make the business required to be able to carry out strategies to retain their business. Particularly in the field of promotion mix. Companies must attempt resulting and deliver products and services by using existing promotion mix strategy, which the company also had to understand the behavior of consumers in order to maintain their customer.

Banking in Indonesia as an institution which serves to collect and organize public funds, cannot deny the importance of marketing strategies appropriate to maintain the company. Demographic characteristics needed to know the size of the target market and the media should be used to reach them efficiently (Kotler, 2008: 303).

According to Kasali (2001), market segmentation is dividing a market activity into groups of different buyers who might require separate products or marketing potions. Competition between banks increasingly sharp and tight this occurs not only among private banks, but also between state-owned banks. This case raises several alternatives to the customer to determine which banks by customers can give satisfaction to the customers themselves. To be able to communicate effectively, bank managers must design programs that attract and proper promotion. To support the movement of funds as much as possible, then the bank is required to be able to optimize all the potential to attract people to save their money. Such as PT. Bank Sulut using some elements of promotion mix consist of direct marketing and advertising.

The influence of advertising on customer purchase intention has a great influence because in the advertising itself provide information to the public, keep and touch with the community, and remind people. Advertising can reach a very broad audience, with a simple message that allows the recipient to understand the products that inform, function, and their relationship to each other similar product (Widyastuti, 2014). The influence of direct marketing on customer purchase intention it because direct marketing is the way to deliver products or services to customer without intermediaries.

PT.Bank Sulut is the bank that originated from North Sulawesi which formerly *PT.Bank Pembangunan Daerah Sulawesi Utara*, it has the slogan "*Malayani adalah Komitmen Kami*". PT.Bank Sulut is a regional bank that regulates the salaries of government employees. Government employees are Indonesian citizens who meet certain requirements, was appointed as the State Civil Servants Apartur regularly by the staff development officer position in government. To support their business but didn't have enough money to develop their businesses, PT.Bank Sulut provide credit loan program for government employees that have a side business and want to develop their productive effort. Thus, lending to government employees may boost the economy. For that PT.Bank Sulut using direct marketing and advertising in order to facilitate them to find out what products are offered PT.Bank Sulut and how to apply for credit. With the participation of government employee to apply for credit in the bank, it indirectly helps the economy, which certainly benefit from each other. With advertising, the consumer can receive information through media such as billboard, banner, brochure, and magazine. If they want to get more detailed information, PT.Bank Sulut can provide an explanation of the products offered information.

Amurang is a district once capital of South Minahasa regency, North Sulawesi, Indonesia. South Minahasa District Head office is now located in the Village Pondang, which is located in East Amurang districts. By looking at the importance of marketing communication that determines

the success of effective communication, therefore this research is titled "The Influence of Direct Marketing and Advertising Toward Customer Purchase Intention in Applying Consumer Loan for Government Employees at PT.Bank Sulut Amurang Branch, uses direct marketing and advertising as their promotional mix to communicate their product.

Research Objectives

The aims of this research are to know the influence of:

1. Direct marketing and advertising on consumer purchase intention in applying consumer loan for government employees at PT.Bank Sulut simultaneously.
2. Direct marketing on consumer purchase intention in applying consumer loan for government employees at PT.Bank Sulut partially.
3. Advertising on consumer purchase intention in applying consumer loan for government employees at PT.Bank Sulut partially.

2. THEORITICAL FRAMEWORK

Marketing

A company should know about the customer needs and wants, so that customer interest to buy their product. Kotler and Keller (2009) marketing has been defined as an organizational function and set of processes for creating, communicating, and delivering value to customers and for managing customer relationship in ways that benefit the organization and its stakeholders. Burns and Bush (2006:4) defined marketing as an organization function, not a group of persons or separate entity within the firm. American Marketing Association Board of Directors (2013), 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.

Marketing Mix

Marketing mix is a business tool used in marketing and by marketers. Kotler (2005), marketing mix as the set of controllable, tactical marketing tools that the firm blends or produce the response it wants in the target market. In service marketing, however the four P's are expanded to the seven P's to address the different nature of services, known as: product, price, place, promotion, physical evidence, people, process.

Promotion

A company can communicate their goods or services to customer by promotion. Czinkota & Ronkainen (2004), promotion is the direct way an organization tries to reach its publics, this is performed through the five elements of the promotion mix including advertising, sales promotion, personal selling, public relations and the direct marketing. Boone and Kurtz (2011:248, 431), promotion is the function of informing, persuading and influencing a purchase decision. The relationship between promotion and differentiation could be in terms of promotion also can be used to differentiate a firm's offerings from the competition.

Advertising

Company can use advertising to advertise their product to customer by billboard, banner, and magazine. Berkowitz et al., (2000), advertising is any paid form of non-personal communication about an organization, good, service or idea by an identified sponsor advertising is a highly

public mode of communication. Advertising, it carries a monologue message to the audience from an identified source (Owaga,2002). Based on the definition above, advertising is a impersonal communication that can attract the intention of customer to buy goods or service.

Direct Marketing

Kotler and Armstrong, (2005), direct marketing consists of direct connections with carefully targeted individual consumers to both obtain an immediate response and cultivate lasting customer relationships. Based on the definition above, direct marketing is a personal method between company and consumer.

Consumer Behavior

Shiffman and Kanuk, (2000), consumer behavior can be defined as the behavior that customer display in searching for, purchasing, using, evaluating, and disposing of products, services, and ideas they expect they will satisfy needs. Loudon and Della Bitta (1993), consumer behavior may be defined as the decision process and individuals engage in physical activity when evaluating, acquiring, using, or disposing of goods and services. Ebert and Griffin, (1995), consumer behavior can be described as a consumer to make a decision about a product that is purchased and consumed.

Customer Purchase Intention

Purchase intention is an important index for evaluation consumer behavior to buy the goods or services. Loudon and Della Bitta (1993), customer purchase intention is the buyer's forecast of which product they will buy. Spears & Singh, (2004), purchase intentions can be define as purchase intentions being an individual's conscious plan to make an effort to purchase a brand. Customer purchase intention is consumers' responses in order to have a positive or negative action toward the advertisement

Previous Research

Omneya, M. M., and Ayman Y. S., (2012). Measuring the effects of personalized integrated marketing communication tools on the consumers' intention to purchase credit cards in the private banking sector in egypt. This study proves a positive relationship between all variables. Direct marketing in all its forms proved to create positive customers' attitude and thus an intention to purchase. All the salesperson's characteristics chosen proved to form customers trust in salespeople and thus an intention to purchase. Hosseini., M., H., & Foshtomi., N., R. (2015), Effect of advertisement on customers purchase intention of the store brand (Case study : Selected refah chain stores of mazandaran province, iran). In this study, both descriptive statistics and inferential statistics were used for analyzing the data obtained from the sample. Indicator of descriptive statistics used in this study include frequency distribution tables, frequency percentage and charts. Tristantin., V., V. & Suwandi., Y., T. (2012) The impact of promotional mix toward consumer purchase intention at family fun karaoke. This study proves a positive relationship between all variables. Because all the variables influence consumer purchase intention.

Research Hypothesis

The hypothesis of this research are;

H0 : Direct marketing and advertising does not have a significant influence on consumer purchase intention in applying consumer loan for government employees at PT.Bank Sulut simultaneously.

- H1 : Direct marketing and advertising have a significant influence on consumer purchase intention in applying consumer loan for government employees at PT.Bank Sulut simultaneously.
- H2 : Direct marketing have a significant influence on consumer purchase intention in applying consumer loan for government employees at PT.Bank Sulut Partially.
- H3 : Advertising have a significant influence on consumer purchase intention in applying consumer loan for government employees at PT.Bank Sulut partially.

3. RESEARCH METHODS

Type of Research

This research type is causal uses quantitative type of research. Quantitative research or quatitative method based on Sugiyono (2013) defined as research method based on positivism paradigm that used to investigate specific population or samples. This research in field of marketing management will investigate the influence of direct marketing and advertising toward consumer purchase intention in applying consumer loan at PT.Bank Sulut Amurang Branch.

Place and Time of Research

This study will be conducted in Amurang Branch and the time of research for three months from June until September 2015.

Conceptual Framework

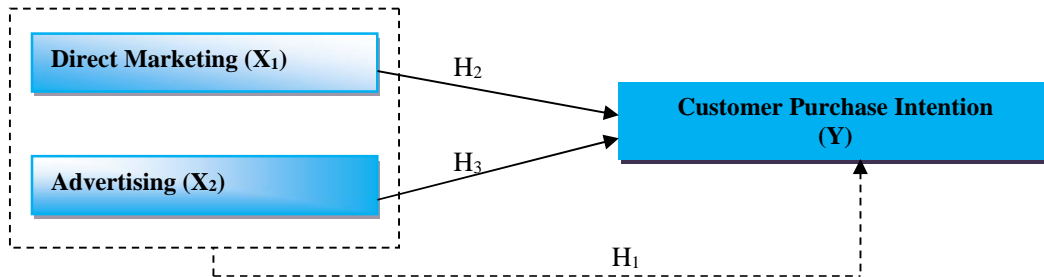


Figure 1. Conceptual Framework
 Source: Data Processed, 2015

Population and Sample

The population in this research is all members of a defined group that possess some common characteristic defined by the sampling criteria established by the researcher. The population in this research is people who watch and heard some elements of promotional mix by the company (PT.Bank Sulut) in Amurang Branch.

The sample is the selected people chosen for participation in a study is government employees, people are referred to as subjects or participants and that actually possesses the same characteristics as the population. The sample in this research is consisting of 50 respondents. The sampling method is purposive sampling. The purposive sampling was applied in this research regarding to obtain information according to criteria.

Data Collection Method

Primary data is the data obtained directly from the original source, specifically the primary data collected by researchers to answer the research questions. The primary data of this study gets from the results of questionnaires. The questionnaires are distributed to respondents (government employees that take consumer loan at PT.Bank Sulut) so they can respond directly on the questionnaires. There were two sections in the questionnaires that should be filled in by respondents. The first section asked about respondents identities and the second section asked about things that related with the variables.

Secondary data collected for some purpose other than the problem at hand taken from books, journals, articles, and relevant literature from library and internet. These secondary data were used in the background, literature review research method, and discussions.

Operational Definition of Research Variable

1. Direct Marketing (X_1) is an interactive system of marketing that used by PT.Bank Sulut in order to communicating directly with or solicit a direct response from specific consumer and prospects.
2. Advertising (X_2) is one of elements of promotional tool that PT.Bank Sulut informs customers regarding product information through media electronics and prints. This company beliefs advertising has the potential to inform public and to induce them to visit the company for further information and to make purchase decision.
3. Customer Purchase Intention (Y) is the promotion tools used by PT.Bank Sulut which means company sent information about consumer loan for government employees so the consumer decided to take consumer loan after their finds out if the offer provided worthy to be bought.

Measurement of Research Variable

This research uses Likert Scale as a measurement. Malhotra and Peterson (2006:264) stated that the end points of a Likert Scale are typically “strongly disagree” and “strongly agree”.

Data Analysis Method

Validity Test and Reliability Test

To analyze the validity of questionnaire, Pearson Product Moment is used. An instrument measure is valid if the instrument measure what ought to be measured. The validity test is the degree to which a test procedure accurately measures what it was designed to measure. Validity is the strength of conclusion, inferences proportions.

Reliability test is established by testing for both consistency and stability of the answer of questions. Consistency indicates how well the items measuring a concept hang together as a set. Alpha Cronbach is reliable coefficients that can indicate how good items in asset have positive correlation one another (Sekaran, 2006: 177). Since reliable scales are not necessarily valid, researcher also need to be concerned about validity. It assesses whether a scale measures what is supposed to be measured. Thus validity is a measure of accuracy in measurement.

Multiple Regression Analysis Model

The equation model of multiple regression analysis which used in this research can formulate as shown below:

$$Y = a + b_1x_1 + b_2x_2 + e$$

Explanation:

- Y = Consumer purchase intention
- a = Intercept
- b1, b2, = The regression coefficient of each variable
- X1 = Direct Marketing
- X2 = Advertising
- e = Error

4. RESULT AND DISCUSSION

Multicollinearity

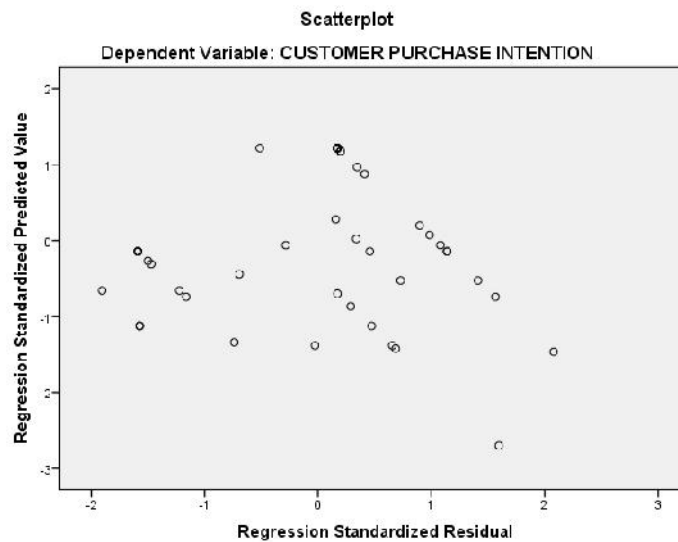
Table 1. Multicollinearity Test Table

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	DIRECT MARKETING	,423	2,362
	ADVERTISING	,423	2,362

Source: Data Processed, 2015

In table 1 shows that the value of VIF and tolerance has same point, 2.362 for VIF and 0.423 for tolerance value is more than 0.2 and the VIF value is less than 10, this research concluded to be free from multicollinearity.

Heteroscedasticity

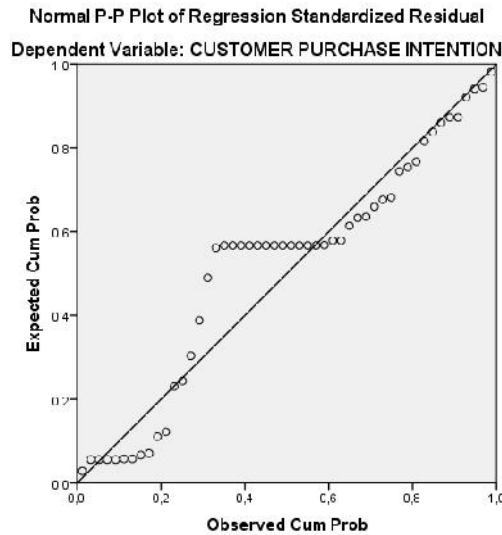


Graph 1. Heteroscedasticity Test Output

Source: Data Processed, 2015

Graph 1 shows that the dots are spreading above and below zero point. This proved that there is no heteroscedasticity in this regression.

Normality



Graph 3. Normality Test Output
 Source: Data processed, 2015

Graph 3 shows that the data is represented by the dots that are not spreading near the diagonal line and does not follow the direction of the diagonal line. It is because of the low sample size and it is consisting of 50 respondent. The purposive sampling is a type of nonprobability sampling which the researcher consciously select specific elements or subject for inclusion in a study in order to ensure that the elements will have certain characteristics relevant to the study. Purposive sampling was applied in this research regarding to obtain information according to criteria in applying consumer loan for government employees at PT.Bank Sulut amurang branch.

Multiple Regression Analysis

Table 2. Multiple Linear Regression Result

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3,160	,344		9,191	,000
	DIRECT MARKETING	,043	,123	,064	,351	,727
	ADVERTISING	,312	,105	,539	2,970	,005

Source: Data processed, 2015

The formula of multiple regression model in this research is shown as follows:

$$Y = 3.160 + 0.043X_1 + 0.312X_2$$

The interpretation of the equation is:

Constant 3.160 shows the influence of Direct Marketing (X_1) and Advertising (X_2) to the Customer Purchase Intention (Y)

1. Constant 3.160 shows the influence of Direct Marketing (X_1) and Advertising (X_2) to the Customer Purchase Intention (Y). It means that, in a condition where all independent variables are constant (zero), Customer Purchase Intention (Y) as dependent variable is predict to be 3.160.
2. 0.043 is the slope of Direct Marketing (X_1) meaning if there is one unit increasing in X_1 , while other variables are constant then Y is predicted to increase by 0.043.
3. 0.312 is the slope of Advertising (X_2) means that if there is one unit increasing in X_2 , while other variable are constant then Y is predicted to increase by 0.312.

F-test

Table 4. F-Test Result

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3,342	2	1,671	12,440	,000 ^b
	Residual	6,313	47	,134		
	Total	9,655	49			

Source: Data Processed, 2015

Table 4. shows the value is 12.440, the degree of freedom 1 (numerator) is 2 and degree of freedom 2 (denominator) is 47 with level of significance is 0.05 ($\alpha = 0,05$) and the level of confidence is 95% then F_{table} is 3.2. The result is: $F_{count} (12.440) > F_{table} (3.2)$. Since F_{count} is greater than F_{table} , H_0 is rejected and H_1 is accepted means the independent variables simultaneously influence the dependent variable. Therefore, hypothesis 1 is accepted.

T-test

Table 5. T-test Result

Variable	T_{count}	T_{table}	Description
Direct Marketing (X_1)	0,351	2,920	Rejected
Advertising (X_2)	2,970	2,920	Accepted

Source: Data Processed, 2015

1. From the table above shows T_{count} for each independent variable, which for direct marketing (X_1) $T_{count} = 0,351$ and $T_{table} = 2,920$ which $T_{count} < T_{table} 2,920$. Therefore, H_0 is accepted and H_1 rejected, that means direct marketing (X_1) does not significantly influences customer purchase intention (Y).
2. From the table above shows that T_{count} for each independent variable, which for Advertising (X_2) $T_{count} = 2.970$ and $T_{table} 2.920$ which $T_{count} > T_{table} 2.920$. Therefore, H_0 is rejected and H_1 accepted, that means advertising (X_2) significantly influences customer purchase intention (Y).

Discussion

From the equation of multiple regression, each coefficient of b (indicator of influencing the program) shows a result, independent variable X_1 decrease than dependent variable Y, but independent variable X_2 increase than dependent variable Y.

Advertising has a significant influence to the customer purchase intention in applying customer loan for government employees at PT.Bank Sulut Amurang Branch. This characteristic give a big influence to the government employees because advertising is easy to be found anywhere. The other characteristic that include in direct marketing are hasn't a significant influence to the

customer purchase intention in applying consumer loan for government employees at PT.Bank Sulut because the result of data processing, all the characteristic that are use to measure the influence of direct marketing to customer purchase intention in applying consumer loan for government employees at PT.Bank Sulut Amurang Branch aren't match.

Customer purchase intention in applying customer loan for government employees at PT.Bank Sulut Amurang Branch indicated there are many factors influence the intention such as the advertising which is typical characteristics that include the billboard, banner, brochure, and magazine. Result indicated that advertising gives strong relationship to customer purchase intention, because it gives impact than direct marketing.

When the result indicated, advertising has the strongest significant influence, but it doesn't mean that direct marketing is not give any influence. Direct marketing also give influence toward customer purchase intention in applying customer loan for government employees at PT.Bank Sulut, but not as much as advertising. That value got from the test result by using SPSS 2.2.

5. CONCLUSION AND RECOMMENDATION

Conclusion

The conclusion may be drawn as follow:

1. The direct marketing and advertising has a different result on customer purchase intention. The characteristic of each variables has positive and negative influence to the customer purchase intention in applying consumer loan for government employees at PT.Bank Sulut Amurang Branch.
2. The direct marketing doesnt have significant influence toward customer purchase intention in applying consumer loan for government employees at PT.Bank Sulut Amurang Branch. The characteristic of direct marketing doesnt have substantial positive influence to the customer purchase intention.
3. The advertising has significant influence toward customer purchase intention in applying consumer loan for government employees at PT.Bank Sulut Amurang Branch . The characteristic of advertising has substantial positive influence to the customer purchase intention.

Recommendation

This study has took a sample in the single geographic area in Amurang especially for government employees, and the number of respondent may not portay the population response regarding to government employees in applying customer loan for government employees at PT.Bank Sulut Amurang Branch. Therefore, additional study will be necessary to better explain between direct marketing, advertising and customer purchase intention to determine which segments are most appropriate to government employees that have a side business and want to develop their productive effort for the future. Since the direct marketing does not has significant influence but the advertising has a strong correlation with the customer purchase intention, therefore it is wise to further investigate the details of how government employees want to take consumer loan in PT.Bank Sulut Amurang Branch by using questionnaires. Hopefully this may help government employees to easily take consumer loan for government employees at PT.Bank Sulut.

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