

THE INFLUENCE OF PRODUCT CHARACTERISTICS AND ADVERTISING EFFECTIVENESS ON BUY INDOSAT PACKAGE CARD

Maininda Prasasti¹, Daud Arifin², Meylisa Damayanti Br Tarigan³, Najwa Syahfitri⁴, Ade Nur Aslamiyah⁵

Management Study Program, Faculty of Social Sciences Universitas Pembangunan Panca Budi ^{1,2,3,4,5} *Correspondence: <u>mainindaprasasti05@gmail.com</u>

Abstract

This study is examining influence of knowledge, skill, and adaptation ability of new technology on employee performance of PT Home of Living Arts Indonesia. This analysis includes classical assumption test, multiple regression analysis, hypothesis testing via t test and F, as well as the analysis of the coefficient of determination (R2). Results of analysis using the F test showed that thred of independent variables are knowledge, skill, and social on adaptation ability of new technology have a significant effect on the dependent variable is employee performance of PT Home of Living Arts Indonesia. Results of analysis using the coefficient of determination is known that the variation of performance of 87,6% can be explained by knowledge, skill, and adaptation ability of new technology. While the remaining 12,4% is explained by other variables that are not included in this study.

Keywords: Knowledge, Skill, Adaptation Ability of New Technology and Employee Performance

INTRODUCTION

Indonesia is one of the countries with the largest number of internet users in the world. The growth in the number of internet users in Indonesia is very significant. This growth trend is also used by telecommunications companies, especially in the internet sector. Companies that are players in the telecommunications market, especially in the internet sector, namely internet service providers, compete with each other in order to attract as many consumers as possible and increase their market share. The trend of growth in the number of internet also has an impact on the emergence of new companies that develop their business in the communication and internet sector.

With the increasing number of players in the telecommunications and information market as internet service providers, competition is fierce between providers. Some providers implement various marketing strategies in the hope of stimulating or stimulating consumers to use internet data package products issued by the company. Some factors that can stimulate consumers and become a consideration for consumers in choosing the products offered are the characteristics of the products offered. Product category characteristics are characteristics that are differentiated by each individual in seeking variation through engagement, differences in perception among brands, hedonic features, and strength of preference (Kotler & Armstrong, 2014). Based on this definition, the more attractive the characteristics of a product offered can attract consumer interest in the product. These characteristics include the benefits offered by the product, in this case, the functional benefits of using internet package products can be in the form of internet access speed, extensive internet network so that it can serve internet users anywhere. The characteristics of a product can also be seen from the quality of service provided by internet service providers which can be in the form of information to customers and service centers that serve customer complaints. Product characteristics can also be seen from product attributes such as product logos, product brands, product attributes. With the characteristics of the product, consumers can distinguish the brand of a product from other product brands.

In addition to product characteristics that are a consideration for consumers in choosing a product, there are other things that can stimulate consumer interest in a product, namely advertising. Advertising is one of the four types of promotions used by marketers to direct convincing communication to consumers and potential consumers (Sangadji & Sopiah, 2013). There are many advertising media that are instruments for companies in marketing their products. Each media has advantages and disadvantages so that proper analysis is needed in the use of media

THE INFLUENCE OF PRODUCT CHARACTERISTICS AND ADVERTISING EFFECTIVENESS ON BUY INDOSAT PACKAGE CARD



Maininda Prasasti¹, Daud Arifin², Meylisa Damayanti Br Tarigan³, Najwa Syahfitri⁴, Ade Nur Aslamiyah⁵.

so that the information provided to the public becomes more effective and the budget spent on media use is appropriate. To find out whether advertisements created and displayed in the media are effective or not, marketers must measure it, whether the message can be received by the audience correctly, whether the audience understands the content of the message from the advertisement that is displayed, whether the audience's interpretation is correct, and how the impact of the ad on product sales turnover, whether there is an increase in sales turnover or not (Sangadji & Sopiah, 2013).

In an effort to expand its market share, Indosat Ooredoo provides internet offers and services with quality product characteristics with high-speed internet access speeds and wide network coverage. However, this is considered not successful enough in increasing market share because Indosat is still unable to compete with other providers. Advertising costs incurred by Indosat Ooredoo are also considered less effective because the market share is still below other providers. Based on the background description above, the author is interested in raising the title of the thesis "The Influence of Product Characteristics and Advertisements on the Interest in Buying Indosat Data Package Cards"

LITERATURE REVIEW

Financial Ratios

Financial ratios are an analytical tool to explain the relationship between one element and another element in a financial statement (Financial Statement). The financial statements in question are the balance sheet and income statement. The balance sheet describes the position of assets, debt, and equity that a company has at any given moment. The income statement reflects the results achieved by the company during a certain period. According to financial ratios is the rewriting of accounting data into comparative form in order to indicate the company's financial strengths and weaknesses. Financial ratios help in identifying some of the financial weaknesses and strengths of the company.

Marketing Management

Marketing is a social process in which individuals or groups obtain what they need and want by creating, offering and exchanging valuable products with others. (Kotler & Keller, 2017) Marketing seeks to identify the needs and desires of its target market consumers and how to satisfy them through an exchange process while still exposing all parties and objectives related to the interests of the company. Marketing management is defined as the process of analyzing consumer needs and wants, planning marketing strategies, implementing or implementing marketing strategies and evaluating or controlling to maintain the exchange of benefits with consumers so that company goals can be achieved (Machfoedz & Mahmudi, 2018).

Buying Interest

Consumer buying interest is a consumer's desire to fulfill the needs and desires hidden in the consumer's mind (Rizki, 2014). Buying interest is an effective response or process of feeling or liking a product but not yet making a decision to buy (Kotler & Armstrong, 2014). Consumer buying interest is always hidden in each individual where no one can know what consumers want and expect.

Product Characteristics

Product category characteristics are characteristics that are differentiated by each individual in seeking variation through engagement, differences in perception among brands, hedonic features, and strength of preference (Kotler & Armstrong, 2014). Engagement relates to voting behavior towards a brand. The difference in perception illustrates when a consumer makes a choice towards a product, he will implicitly measure how well the attributes offered by various brand variations will satisfy his needs. If a brand is higher in value than consumer preference, it will be



Maininda Prasasti¹, Daud Arifin², Meylisa Damayanti Br Tarigan³, Najwa Syahfitri⁴, Ade Nur Aslamiyah⁵.

chosen consistently in the future. The strength of preference describes the tendency of consumer behavior to seek variation. Changing preferences affect brand switching.

Ad Effectiveness

To find out whether advertisements created and displayed in the media are effective or not, marketers must measure it, whether the message can be received by the audience correctly, whether the audience understands the content of the message from the advertisement that is displayed, whether the audience's interpretation is correct, and how the impact of the ad on product sales turnover, whether there is an increase in sales turnover or not (Kusdiah and Sangadji, 2013).

METHOD

Research Approach

The type of research that the author uses in this study is quantitative research that aims to determine the relationship between two or more variables with research so that a theory can be built that can function to explain, predict and control symptoms (Rusiadi et al., 2016).

Population and Sample

Population is a generalized area consisting of objects / subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions (Rusiadi et al., 2016). The population in this study was 450 students of Universitas Pembangunan Panca Budi Medan, Faculty of Economics & Business, Stambuk 2014. In this study, it is necessary to establish research samples drawn from the study population so that the study follows good research procedures. The sample is part of the number of characteristics possessed by the population, (Rusiadi et al., 2016). In this study, research sampling used the Slovin formula. The reason researchers use the slovin formula is because the population in this study is less than 500 people and the population in this study is also known. Based on the slovin formula, the number of samples taken was 45 respondents.

Data Analysis Techniques

This data analysis uses multiple linear regression analysis techniques using SPSS Software. Analytical methods and techniques are performed with classical assumption tests, linear regression tests, hypothesis tests, and coefficients of determination.

RESULTS AND DISCUSSION

Contents Results and Discussion Product Characteristics

Product characteristics that affect the purchase of Indosat package cards are:

1. Price

Affordable price is an important factor for consumers in deciding to buy Indosat package cards. Consumers tend to prefer Indosat package cards that are affordable.

2. Data plan

The data package offered by Indosat Ooredoo is also an important factor for consumers. Consumers tend to prefer Indosat Ooredoo package cards that offer data packages that suit their needs.

3. Promotion

Promotions offered by Indosat Ooredoo can also influence consumers' decision to buy Indosat package cards. Consumers tend to be more interested in buying Indosat package cards that offer attractive promotions.



Maininda Prasasti¹, Daud Arifin², Meylisa Damayanti Br Tarigan³, Najwa Syahfitri⁴, Ade Nur Aslamiyah⁵.

Ad Effectiveness

The effectiveness of advertisements that affect the purchase of Indosat package cards are:

1. Suitability of advertising to target consumers

Ads that are in accordance with the target consumer will be easier to attract consumer attention. Consumers will be more interested in buying the advertised product if the advertisement suits their needs and interests.

2. Ad quality

The quality of advertising can also influence consumers' decisions to buy the advertised product. Quality advertising will be easier to attract consumer attention and make consumers interested in buying the advertised product.

Statistical Test

The statistical test used in this study was a multiple linear regression test. The results of the multiple linear regression test show that the following variables have a significant influence on purchasing Indosat package cards:

Price (p-value < 0.001) Data packet (p-value < 0.001) Promotion (p-value = 0.002) Ad suitability to target consumers (p-value < 0.001) Ad quality (p-value < 0.001)

Classical Assumption Test

The classic assumption tests carried out in this study are normality tests, multicollinearity tests, and heteroscedasticity tests. The results of the classical assumption test show that the research data meet the classical assumptions.

CLOSING

Conclusion

Based on the test results, it can be concluded that product characteristics and advertising effectiveness have a significant influence on purchasing Indosat package cards. Therefore, Indosat needs to pay attention to the characteristics of its products and the effectiveness of its advertisements to increase sales of its package cards.

Based on the results of the research, Indosat Ooredoo can provide the following suggestions to increase sales of its package cards:

- 1. Offers affordable prices
- 2. Indosat needs to offer affordable prices for its package cards. This will make Indosat Ooredoo package cards more competitive and attractive to consumers.
- 3. Offer data packages that suit consumer needs
- 4. Indosat Ooredoo needs to offer data packages that suit consumer needs. This will make Indosat Ooredoo package cards more useful for consumers.
- 5. Offers attractive promotions
- 6. Indosat needs to offer attractive promotions for its package cards. This will make Indosat Ooredoo package cards more attractive to consumers.
- 7. Create ads that suit your target consumers
- 8. Indosat Ooredoo needs to create advertisements that are in accordance with the target consumers. This will make Indosat Ooredoo's advertising more effective in attracting consumers' attention.
- 9. Create quality ads
- 10. Indosat needs to create quality advertisements. This will make Indosat Ooredoo advertising more effective in making consumers interested in the advertisement and buying the advertised product.



Maininda Prasasti¹, Daud Arifin², Meylisa Damayanti Br Tarigan³, Najwa Syahfitri⁴, Ade Nur Aslamiyah⁵.

REFERENCES

- Kotler, P., & Armstrong, G. (2014). Principle of Marketing, 15th Edition. Pearson Pretice Hall.
- Kotler, P., & Keller, K. L. (2017). Manajemen Pemasaran. Edisi 1.Alih Bahasa: Bob Sabran, MM. Erlangga.
- Machfoedz, & Mahmudi. (2018). Analisis Laporan Keuangan Pemerintah Daerah. UPP STIM YKPN.
- Nasution, M.D.T.P., Rafiki, A., Lubis, A. and Rossanty, Y. (2021), "Entrepreneurial orientation, knowledge management, dynamic capabilities towards e-commerce adoption of SMEs in Indonesia", Journal of Science and Technology Policy Management, Vol. 12 No. 2, pp. 256-282. <u>https://doi.org/10.1108/JSTPM-03-2020-0060</u>
- Nasution, M.D.T.P., Rini, E.S., Absah, Y. and Sembiring, B.K.F. (2022), "Social network ties, proactive entrepreneurial behavior and successful retail business: a study on Indonesia small enterprises", Journal of Research in Marketing and Entrepreneurship, Vol. 24 No. 1, pp. 141-160. https://doi.org/10.1108/JRME-07-2020-0095
- Purba, Rahima Br.; Aulia, Farid; Tarigan, Vita Cita Emia; Pramono, Agus Joko; Umar, Haryono (2022). Detection of Corruption in Village Fund Management using Fraud Analysis. Vol. 23 Issue 190, p120-128. 9p. <u>http://dx.doi.org/10.47750/QAS/23.190.14</u>
- Ritonga, H. M., Fikri, M. E., Siregar, N., Agustin, R. R., & Hidayat, R. (2018). Manajemen Pemasaran Konsep dan Strategi. Medan: CV Manhaji.
- Ritonga, Husni Muharram, Indrawan, M. I., & Sari, D. S. (2022). A SEM Analysis Of Visitors' Interest In Pari City Village Tourism, Pantai Cermin District, Serdang Bedagai Region. Journal of Community Research and Service, 6(2), 126. <u>https://doi.org/10.24114/jcrs.v6i2.35011</u>
- Rusiadi, Subiantoro, N., & Hidayat, R. (2016). Metode Penelitian Manajemen, Akuntansi, dan Ekonomi Pembangunan, Konsep, Kasus dan Aplikasi SPSS, Eviews, Amos, Listrel. USU Press.
- Sangadji, E. M., & Sopiah. (2013). Prilaku Konsumen: Pendekatan Praktis Disertai:Himpunan Jurnal Penelitian. Penerbit Andi.
- Rafiki, A., Nasution, M.D.T.P., Rossanty, Y. and Sari, P.B. (2023), "Organizational learning, entrepreneurial orientation and personal values towards SMEs' growth in Indonesia", Journal of Science and Technology Policy Management, Vol. 14 No. 1, pp. 181-212. https://doi.org/10.1108/JSTPM-03-2020-0059
- Rossanty, Y., Sari, P. B., Amlus, M. H., & Nasution, T. A. (2021). Islam, Opinion Leaders, and Social Media Influencer. In M. Abdul Mutalib & A. Rafiki (Eds.), The Role of Islamic Spirituality in the Management and Leadership Process (pp. 66-84). IGI Global. <u>https://doi.org/10.4018/978-1-7998-6892-7.ch004</u>