



THE INFLUENCE OF ADVERTISING, DIRECT MARKETING AND EVENT EXPERIENCE ON BRAND AWARENESS AND THEIR IMPACT ON PURCHASE DECISION

Dicki Prayudi¹✉, Rusli Nugraha²

^{1,2}Universitas Bina Sarana Informatika

✉ dicki.dcd@bsi.ac.id

^{1,2}Jl. Cemerlang 8 Kota Sukabumi

Abstract

The new model of business selling dried flower in Sukabumi has become an interesting research object to test its marketing variables. In this study, the variables used to determine the extent to which the Brand Awareness variable is formed from the Advertising variable, the direct marketing variable and the Event & Experience variable, impacted on purchasing decisions. The method used is descriptive quantitative. The results show that the three variables tested significantly affect Brand Awareness, namely the Total Effect for Advertising, for Direct Marketing, for Event & Experience. The conclusion in this study describes the variables that strongly support the creation of Brand Awareness in a product between Advertising, Direct Marketing and Event & Experience; a strengthened Event & Experience has a significant influence.

Keywords: advertising; direct marketing; event experience; brand awareness; purchase decision; security

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INTRODUCTION

The development of the business world is increasingly creative, especially in the service sector. The numbers of young entrepreneurs who build new business increasingly contribute the number of new types of businesses that are developed conventionally, traditionally or with high technology. Entrepreneurs are development potential, both in terms of quality and quantity. Micro-enterprises stimulated by the government seem to grow a lot of new ideas, especially for service businesses. The development of small and medium enterprises in Indonesia has experienced rapid growth after the era of economic crisis recovery in 1998. The crisis caused inflation and mass layoffs by companies and had an impact on prolonged business development. Many individuals finally choose to build their businesses independently by opening a sales, production, processing, and service sector with various business objects (Wahyuningsih, 2009).

The number of service business objects makes the variety of this sector increase. Based on the results of SE 2016 of the Central Statistics Agency of West Java Province, the potential for micro and small businesses reaches more than 4.5 million businesses or about 98.84% of the total non-agricultural businesses. This business is also able to absorb more than 9.7 million workers or about 74.07% of the total workforce in the non-agricultural sector (West, 2016).

The researchers are interested in conducting research on dried flower sales services of many new businesses. Dried flowers are often presented and known to the public as durable flowers and simple maintenance. To have quality dried flowers, producers still have to choose dried flowers from abroad, especially from China. The difference between imported dried flowers from China and from Indonesia is the strength of quality, durability, production price, and technical maintenance so that the flowers last longer. The writer had one of the dried

flower outlets named Teman Bunga in Sukabumi City as the object of the research to describe the influenced variables of the Marketing Communication sub mix on brand awareness impacted on purchasing decisions.

Marketing is one of the keys to how the product can be accepted by consumers or potential buyers. As a new brand, Teman Bunga had to know how far consumers recognize the brand with several marketing channels. To analyze it, several subs of Marketing Communication were selected to be used as variables. The measurement model that has an impact on purchasing decisions will be tested for five elements, namely (1) Advertising (2) Direct Selling (3) Event Experience (4) Brand Awareness, and (5) Purchase Decisions.

Advertising is one of the most widely used ways of promotion by companies. As stated by Uyung Sulaksana (2003: 90) that "Advertising is all forms of non-personal presentations that promote ideas, goods, or services financed by certain sponsors". Because of this fairly loose definition, sponsorship of advertising is not limited to companies, but also includes all parties who spread their message to the target public including schools, charitable organizations, and government agencies. While Djaslim Saladin (2003: 183) argues that "Advertising is all forms of non-personal presentation, promotion of ideas, promotion of goods or services carried out by paid sponsors". Advertising is a form of indirect communication, which is based on information about the advantages and benefits of a product, which is arranged in such a way that it creates a pleasant feeling that will change a person's mind to make a purchase (Heridiansyah, 2012).

Direct marketing according to (Ukaj & Prof, 2016) is a marketing strategy carried out to build interactive communication with consumers so that companies can build closeness with customers to have direct responses. The responses generated in the direct marketing process are inquiries, purchases, or even support. According to (Kotler, 2012) is a way for marketers to communicate goods or services being sold to encourage responses and shape the behavior of target customers in order to generate a desire to buy an item or service offered. So direct marketing is relational marketing, namely marketing that focuses on developing, maintaining and continuing relationships between marketers and their customers to get a direct response. Direct marketing is about focused, targeted communication with strategic customers to promote the purchase of goods or services. Marketing excellence in business is the most important thing in today's market competition to gain success and company survival (Purnama & Pralina, 2016).

One of the ways to communicate with the market in a modern marketing strategy is to organize sponsorship events. According to Dimitra (2008), this sponsorship as a strategic resource, can support management with brand goals and improve brand image, reputation, and help companies to a gain competitive advantage. Furthermore, the results of Nicolas Chanavat's research (2008) show that sponsorship events can activate the dimensions of brand behavior, namely cognitive (brand image), affective (brand attachment), and conative (purchase intention). The event sponsorship variable indicators used in this study are Target Audience Research (Level of interest), Compatibility with the Company's or brand positioning (Level of suitability), Message Capacity (Level of usefulness). (Hermawati Prayuna, 2013)

Brand awareness is a consumer's memory of a product that has been embedded in the minds of consumers for a particular need. Malik et al (2013) stated that brand awareness is the possibility that consumers are familiar with the availability and accessibility of the company's products and services. According to Davis et al (2008) in Chi (2008) brand name is the most important element in brand awareness. Brand awareness can make consumers think about using or buying it. Andrologi (2014) also explains that one form of brand awareness is a brand that is known and has the possibility to be reliable, and its quality can be accounted for (Wicaksono & Seminary, 2016).

Sellers need to structure the overall buying decision to assist consumers in making decisions about their purchases. Each buying decision has seven structures, they are decisions about the type of product, decisions about product form, decisions about brands, decisions about the seller, decisions about the number of products, decisions about when to buy and decisions about how to pay. In (Putra et al., 2017) Consumers purchase decision is to buy the most preferred product. Peter and Olson (2000:163) argue that purchasing decisions are an evaluation process carried out by prospective consumers to combine their knowledge of the choice of two or more alternative products and choose one of them. Smart companies can understand the factors that influence consumer awareness from outside and from within themselves that lead to purchasing decisions (Agustin, 2015).

Previous research entitled The Effect of Direct Marketing on Purchase Decisions at The Centrum Restaurant Bandung resulted in research that respondents with direct marketing had a high influence based on the power of online marketing. While telemarketing ranks the lowest. As for the indicators of purchasing decisions, respondents considered the payment method to be the reason for the highest purchase decision and the number of purchases got the lowest value (Purnama & Pralina, 2016).

Another study entitled The Effect of Advertising and Sales Promotion on Purchasing Decisions at Griya Puspadari Housing Asri Tanjungpinang resulted that advertising and sales promotion variables partially or

simultaneously had a positive and significant effect on consumer purchasing decisions at Puspandari Asri Tanjungpinang Housing. With the contribution of Adjusted R Square of 61.1%, purchasing decisions are influenced by advertising and sales promotion, while the remaining 38.9% is influenced by other factors (Haryani, 2019).

Another previous study entitled *The Effect of Advertisements and Endorsers on Brand Awareness and Their Impact on Purchase Decisions* results that consumer purchasing decisions are significantly shaped by brand awareness as an antecedent formed by brands and endorsers. This study reveals gaps that need to be revised in future research. Endorsers fail to be the antecedent of consumer purchasing decisions. So that better measurements are needed, to ensure that consumer purchasing decisions can also be shaped by endorsers (Setiawan & Rabuani, 2019).

METHOD

The writer used five factor, they are Advertising, Direct Selling, Event & Experience, Brand Awareness and Purchase Decision. This model does not measure the five dimensions of success measurement independently, but measures them as a whole where one factor affects the other.

The kind of the model is to combine it with the needs. The variables used in this study are: Advertising, Direct Selling, Event & Experience, Brand Awareness and Purchase Decision. In this study, the independent variable is Advertising, Direct Selling, Event & Experience which is a sub of the marketing communication mix. While the dependent variable is the output variable which is the dependent variable that is influenced or which is the result of the independent variable. In this study, the dependent variable is Brand Awareness and Purchase Decision.

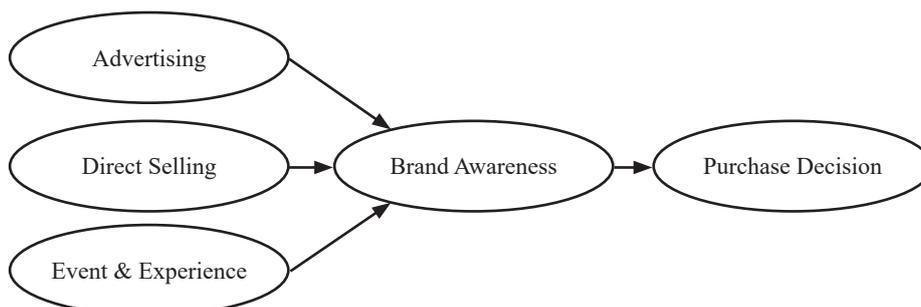


Figure 1. Research Model

Figure 1 practically illustrates the influence between variables in the model in this study, which will be tested on the application of mix marketing communication to Teman Bunga. Based on the conceptual framework of the influence between variables, the following hypotheses are formulated: (H1) It is suspected that there is a significant influence between Advertising (AD) on Brand Awareness (BA); (H2) It is suspected that there is a significant influence between Direct Selling (DS) on Brand Awareness (BA); (H3) It is suspected that there is a significant influence between Event & Experiences (EE) on Brand Awareness (BA); (H4) It is suspected that there is a significant influence between Brand Awareness (BA) on Purchase Decision (KP).

The type of research used quantitative research and the technique is descriptive research. In this study, the respondents are first 30 dried flower buyers who visited the store and purchased by online as well. Respondents were given a questionnaire through a digital system and statistical collection and calculations were carried out at the Bina Sarana Informatika University Laboratory, PSDKU, Sukabumi city. The sample was taken based on the provisions of the theory developed by Isaac and Michael with an error rate of 5%.

RESULTS

In descriptive statistical calculations, loading values that have a high level of validity if each factor has a value above 0.50 (J. F. Hair et al., 2017). If less than 0.50 then the indicator is not valid, it must be removed. (Kleine-Kalmer, 2016).

AVE (Average Variance Extracted) is a measurement of discriminant validity, then the output results from the average value are used, as described in Table 1. The indicator is said to be discriminantly valid, if $AVE > 0.50$ (Kleine-Kalmer, 2016).

Table 1. AVE Values

	Communality	Indicator Target	Note
AD	0,609	≥0,5	Valid
DM	0,663	≥0,5	Valid
EE	0,639	≥0,5	Valid
BA	0,829	≥0,5	Valid
BD	0,809	≥0,5	Valid

Based on Table 1, after invalid indicators are not used, a valid AVE or Average Variance Extracted value is obtained, the next step in evaluating the structure of the external model is to test whether the variables that have been tested are reliable or not by noticed the composite reliability and cronbach alpha. The data is declared reliable if the composite reliability value and the Cronbach alpha value are above 0.70 (Safi'i & Jayanto, 2015). Table 2 is the output of SmartPLS which shows the value of Composite Reliability & Cronbach Alpha.

Table 2. Composite Reliability and Cronbach Alpha

	Cronbachs Alpha	Composite Reliability
AD	0,759	0,838
DM	0,784	0,850
EE	0,636	0,786
BA	0,815	0,871
BD	0,813	0,877

Based on Table 2, the variables in this study are reliable. All the results of the validity tests carried out include Convergence Validity and Validity Validation (Cross Loading) as well as reliability tests of composite reliability parameters and Cronbach's alpha indicate that the indicator variables and constructs used are valid and reliable so that they can be used in testing structural models (inner models).

The structural model (inner model) is a pattern of research variable relationships. Evaluation of the structural model is by looking at the coefficients between variables and the value of the coefficient of determination (R²). The R² value is close to 1, with the limiting criteria being divided into 3 classifications, namely 0.67 = substantial, 0.33 = moderate, and 0.19 = weak (Anuraga & Otok, 2013).

Table 3. R-Square

	R Square
BA	0,631
BD	0,280

Table 3 shows that the R-Square value of the brand awareness variable is 0.631 and the buying decision variable is 0.280, which means that the brand awareness created that is supported by advertising, direct marketing and event experience is 63%, while the benefits of buying decisions are 28%, based on the value of The R-Square of the study shows that the model is in the moderate category.

The size of the significance of the hypothesis support can be used to compare T-table and T-statistics (Safi'i & Jayanto, 2015). If the T-statistic value is greater than the T-table, it means that the hypothesis is supported.

Table 4. Coefficient and T-Statistic Path

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STERR)
AD -> BA	0,228	0,263	0,139	0,642
DM -> BA	0,096	0,116	0,139	0,692
EE -> BA	0,588	0,577	0,154	3,816
BA -> BD	0,529	0,574	0,132	4,011

Based on Table 4, the resulting t-statistic is greater than the limit value of 1.96 with a significant level of 5%. It can be concluded that the Advertising variable has a positive effect on the Brand Awareness variable, the Direct Marketing variable has a positive effect on Brand Awareness, the Event & Experience variable has a positive effect on Brand Awareness. And Brand Awareness also has a positive effect on Buying Decision.

DISCUSSION

Table 5. Result Hypothesis

Hypothesis	Correlation	Total Effect	Significant	Result
H1	AD -> BA	0,228	Significant	Supported
H2	DM -> BA	0,096	Significant	Supported
H3	EE -> BA	0.588	Significant	Supported
H4	BA -> BD	0.529	Significant	Supported

Based on the results of the statistical test of variables as shown in Table 5, the four hypotheses that have been formulated previously, including the relationship between the construction variable and the dependent variable, are supported and proven to have a positive and significant effect on the dependent variable. The data in Table 5, hypothesis 1 confirms that the Advertising variable on the brand has an influence on Brand Awareness in terms of brand strengthening that is easy to remember, easy to recognize and easy to accept. Hypothesis 2 confirms that the Direct Marketing variable has a significant effect on Brand Awareness. Hypothesis 3 confirms that the Event & Experience variable has a significant influence on Brand Awareness.

CONCLUSIONS

The model in this study uses descriptive quantitative methods by presenting and processing calculated data, and calculating variables using Smart PLS for the path method. The conclusion in this study describes the variables that strongly support the creation of Brand Awareness in a product between Advertising, Direct Marketing and Event & Experience, then a strengthened Event & Experience has a significant influence. The model was analyzed by structural equation modeling (Structural Equation Modeling) based on components or variants (component bases) which is popular with Partial Least Square (PLS). The results show that the three variables tested significantly affect Brand Awareness, namely the Total Effect value of 0.028 for Advertising, 0.096 for Direct Marketing, and 0.0558 for Event & Experience. The conclusion in this study describes the variables that strongly support the creation of Brand Awareness in a product between Advertising, Direct Marketing and Event & Experience; a strengthened Event & Experience has a significant influence.

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