The Influence of Promotional Strategies Through Social Media on Product Purchase Decisions Mediated by Word of Mouth Marketing

Singgih Nurgiyantoro¹*

¹Management Study Program, Faculty of Economy, Universitas Negeri Yogyakarta, Yogyakarta, Indonesia

ARTICLE INFO

Keywords:
E-commerce
Marketing strategy
Management
Word of mouth
Seller

Corresponding author:
Singgih Nurgiyantoro

E-mail address: singgih_nurgiyantoro@gmail.com

The author has reviewed and approved the final version of the manuscript.

https://doi.org/10.37275/arkus.v7i1.88

ABSTRACT

E-commerce is a sales system that developed after the invention of the internet. This kind of marketing or sales system can reach the whole world simultaneously without having to set up branch offices in all countries. In addition, it can also be done 24 hours without stopping. With only a computer unit connected to the internet, the company can market its products. Marketing with promotional strategies through the internet, especially with social media (social networks), can increase sales widely and does not require expensive marketing costs. Consumers will also find it easier to find information about the products they want to buy because they do not need to meet face to face directly. Word of mouth marketing often has a competitive advantage in conveying business information. This is because word-of-mouth marketing arises naturally from the opinion of the social environment, which is considered more honest, and there are no specific motives in conveying information to other consumers.

1. Introduction

Along with the development of increasingly sophisticated technology, the use of the Internet is no stranger to marketing a product. An effort made to market products or services using internet media can also be called e-marketing. E-marketing is the marketing side of e-commerce, which consists of the work of companies to communicate, promote, and sell goods and services over the Internet.¹

E-commerce is a sales system that developed after the invention of the Internet. This kind of marketing or sales system can reach the whole world simultaneously without having to set up branch offices in all countries. In addition, it can also be done 24 hours without stopping. With only a computer unit connected to the Internet, the company can market its products.¹

Marketing with promotional strategies through the Internet, especially with social media (social networks), can increase sales widely and does not require expensive marketing costs. Consumers will also find it easier to find information about the products they want to buy because they do not need to meet face to face directly.

Data reported by the site www.sigmanews.us shows the seven most popular social media sites in 2013; Facebook occupies the first position, followed
by Twitter, Google +, MySpace, LinkedIn, Friendster, and Pinterest. In addition, the number of Indonesian internet users continues to increase significantly every year. This can be seen from the graph that continues to increase from the 1998-2012 version of the APJII (Association of Indonesian Internet Service Providers) data.

Meanwhile, from the data written on the website http://www.ihubmedia.com, Asia continued to dominate Facebook in 2013. Meanwhile, Indonesia itself became the second country with the most Facebook users after India. According to data from http://the-marketeers.com, internet access via smartphones now amounts to 58 million people. According to MarkPlus Insight’s research, around 58 million internet users in Indonesia access the Internet via mobile devices such as smartphones, personal notebooks, netbooks, and tablet PCs. Three out of ten netizens admitted to changing their cellphones in the past year, and one in ten netizens admitted to changing their laptops or netbooks in the past year.

Seeing a large number of access to social media in Indonesia through smartphones can be a good business opportunity in the digital printing industry, Garskin. Garskin covers the HP casing, protecting the HP casing from scratches that usually occur due to human accidents. In addition, Garskin is used to enhance the appearance of smartphones to make them more attractive. Buyers generally know Garskin products through their Twitter account or from the tagged photos of their products on Facebook. Although the products are only marketed through social media, the consumers have spread locally in Java and throughout Indonesia.

**Word of mouth marketing**

It is undeniable that social networks that are currently often used to market products include Facebook and Twitter. With these social networks, an effective marketing communication strategy will be formed, namely word of mouth. Word of mouth is a powerful, effective, and cheapest type of promotion. Satisfied consumers will tell others about their good experiences with the product.

Word of mouth marketing often has a competitive advantage in conveying business information. This is because word-of-mouth marketing arises naturally from the opinion of the social environment, which is considered more honest, and there are no specific motives in conveying information to other consumers.

The emergence of increasingly sophisticated technology no longer limits word-of-mouth marketing to face-to-face conversation situations but can be via telephone or social networks. In addition, the lifestyle of today’s society is more likely to use their smart devices, which are already known as smartphones, to access the internet.

The success of Garskin’s marketing strategy by using social media certainly cannot be separated from consumer behavior from Garskin itself. On several Facebook or Twitter accounts, some people update the status of their new garskin, look for garskin or look for information about garskin sellers. People discussing the product can indirectly influence other consumers to find out information and even buy Garskin products.

This is like the research conducted by Ronomenggolo (2013); the study shows the magnitude of the influence of the service marketing mix factors consisting of personal relevance, interactivity, message, brand familiarity variables on consumer purchasing decisions. This social media-based promotion has a positive and significant impact on consumer purchasing decisions for ROVCA products.

Over time, the number of garskin sellers in cyberspace has increased significantly. They are none other than resellers of Garskin products from other companies engaged in the same industry. They create Twitter and Facebook accounts in considerable numbers. This excessive number of garskin seller
accounts makes it difficult for consumers to choose to buy garskin. Due to too many garskin seller accounts, now fewer consumers rely on advertisements made by the company; consumers turn to the word of mouth because it is more reliable and trustworthy.

**Marketing communication system**

Managing a marketing communication system requires a design strategy and sales programs that are effective and efficient. Sales promotion is a critical element of a company’s campaign, and the best promotions are those carried out by satisfied customers. Thus, promotions need to be handled carefully because the problem is related to how to communicate with customers and how much costs are incurred for these costs, which must be adjusted to the conditions and capabilities of the company.

Promotion is one of the variables in the marketing mix that is very important to be carried out by companies in marketing their products or services. According to Martin L. Bell in Swastha and Irawan (1990), promotion is all types of marketing activities to drive demand. Meanwhile, promotion is a one-way flow of information or persuasion made to direct a person or organization to actions that create changes in marketing.11

With promotions, people who were previously not interested in buying a product will become interested and try the product to make a purchase. There are four indicators of promotion. The four indicators are advertising (advertising), sales promotion (sales promotion), personal selling (personal selling), and publicity. Thus, promotion is a company activity carried out to introduce products to consumers so that with these activities, consumers are interested in making purchases.

**Consumer behavior**

According to Swata and Handoko (1982), consumer behavior is the activities of individuals directly involved in obtaining and using goods and services, including the decision-making process in the preparation and determination of these activities. From this definition, consumer behavior analysis must analyze visible activities from processes that are difficult to observe. That means studying what consumers buy, studying where consumers buy, how to buy, and under what conditions goods and services are purchased. As the main component in creating products, companies must understand how consumers respond to product features and prices to have a significant advantage over their competitors.

In decision making is a process of purchasing activities that appear to be only one stage of the entire consumer buying process. According to Swastha and Handoko (1982), the decision-making process goes through 5 stages: needs analysis, information search and assessment of information sources, alternative assessment, and purchase decisions. In analyzing needs and wants, a process is shown to determine if there are unfulfilled needs and desires. If a need is known, consumers will understand that a need is immediately fulfilled or is still being delayed.

Information seeking can be active or passive, internal or external. Active information search can be in the form of visits to stores to make price and product quality comparisons, while passive information searches are only by reading advertisements in magazines or newspapers without having a specific purpose about the desired product description. Internal search for information can come from personal communication and personal influence. Individual influence comes from personal communication and personal influence, mainly from opinion pioneers, while external information comes from the mass media and information sources from the company’s marketing activities.6,9

The assessment and selection of purchasing alternatives include two stages, namely, setting purchase objectives and assessing and selecting purchase alternatives based on purchase objectives.
Purchase objectives for each consumer are not always the same, depending on the type of product and their needs.

The decision to buy taken by consumers is a conclusion from several decisions, for example, decisions about the type of product, product form, and many products. If the products produced by the company are by what consumers expect to satisfy their needs and desires, then the product can attract interest to buy. If the consumer is satisfied, it can be ascertained that the next purchase will buy the product with that brand again.

**The effectiveness of social media as a marketing strategy**

Social media marketing allows building more personal and dynamic social relationships than traditional marketing strategies. Social media marketing activities are centered on creating content that attracts attention and encourages readers to interact and share it in their social network of friends. The influence of social media varies, but what generally happens is that information originating from social media will influence purchasing decisions that consumers will take.\(^1\),\(^2\)

According to Kenedy and Dermawan (2006), marketing communications is a communication activity that aims to convey messages to consumers using various media, hoping that communication can produce three stages of change, namely changes in knowledge and changes in attitudes and changes in desired actions. The types of media that can be used are folders, posters, banners, flyers, television, radio, magazines, newspapers, and other media.\(^3\),\(^5\) Another definition, according to Sulaksana Uyung (2003), marketing communications is the process of disseminating information about the company and what it wants to offer (offering) to the target market. Its role is vital considering the role of communication in facilitating the relationship between the company and prospective buyers.\(^6\),\(^7\)

**Word of mouth marketing**

Word of mouth is a person-to-person communication between the source of the message, the recipient of the message, where the recipient of the message receives a message voluntarily about a product, service, or brand. According to the Word of Mouth Marketing Association (WOMMA), Harjadi and Fatmawati (2008) define word of mouth as a marketing effort that triggers consumers to talk, promote, recommend, and sell our products/brands to other customers.\(^8\),\(^9\)

Word of mouth communication is often known as viral marketing, a marketing technique used to spread a marketing message from a site or users to other sites or users, which can create potential brand image growth like a virus. Most of the communication process between humans is done through word of mouth. Every day a person talks to one another, exchanging thoughts, information, opinions, and other communication processes. Consumer knowledge about a product is more influenced by word of mouth. This is because the information from friends is more reliable than information obtained from advertisements. According to Kumar et al. (2002), the most valuable customer is not the customer who buys the most. However, the customer who communicates the most by word of mouth can bring other customers to buy at our company, regardless of the number of purchases.

To create word of mouth is how a brand or product has something valuable to talk about. According to Rossen (2000), states that there are six elements that a product must possess to be able to produce word of mouth positively and continuously, among others: the product must be able to evoke an emotional response, the particular product or brand is able to provide a delight or excitement effect, must have something that can advertise itself or inspire someone to ask it, a product becomes more powerful if it is used a lot, is compatible with other products, consumer experience in using the product for the first
2. Conclusion

Promotion strategy through social media is one of the tools to interact without having to meet face to face with consumers. Companies are also advised to increase the intensity of word-of-mouth marketing in social media accounts. Because based on the results of research, the effect of promotional strategies through social media on purchasing decisions is proven to be mediated by word of mouth marketing, although the effects are not as significant as promotional strategies through social media. Word of mouth marketing is the only method of promotion that comes from consumers, by consumers, and for consumers.

3. References

1. Arifin, Ali. Viral Marketing - Konsep Baru Berinvestasi Dan Berwirausaha. Yogyakarta: Andi Publisher. 2003.

2. Azwar, Saifuddin. Penyusunan Skala Psikologi. Yogyakarta: Pustaka Pelajar. 2009

   Harjadi, Didik & Fatmawati Dewi. “Word Of Marketing (WOM) Communication Sebagai Alternatif Kreatif Dalam Komunikasi Pemasaran”. JURNAL EQUILIBRIUM. Vol.4, No.8, Juli-Desember 2008; 72-78.

3. Issabell, Goyette. “Word-of-Mouth Measurement Scale for e-Services Context”. Jurnal Word of Mouth. Dalam Dimensi Word of Mouth.

4. Jamilah B, Najua Pengaruh Ekuitas Merek Dan Word Of Mouth Terhadap Keputusan Pembelian (Studi Kasus pada Konsumen Cokelat Roso di Depok, Sleman, Yogyakarta). Skripsi. Universitas Negeri Yogyakarta. 2012.

5. Jogiyanto 2004. Metode Penelitian Bisnis. Yogyakarta: BPFE.

6. Kenedy, Jhon E & Soemanegara Dermawan R. Marketing Communication. Jakarta : PT. BUANA ILMU POPULER. 2006.

7. Kotler, Philip & Amstrong, Gary. Dasar-dasar Pemasaran, edisi ke sembilan jilid 2. Jakarta: PT Indeks. 2004.

8. Kotler, Philip & Amstrong, Gary. Prinsip-Prinsip Pemasaran. Alih bahasa Bob Sabran M. M. Edisi Bahasa Indonesia. Jilid 1 dan 2. Jakarta: Erlangga. 2008.

9. Miller, K.D., Fabian, F. & Lin, S.J. Strategies for online communities. Strategic Management Journal. 2009; 30(3):305-322.

10. Rossen, Emanuel. The anatomy of buzz : how to create Word Of Mouth Marketing. Newyork: Doubleday, Random house. Inc. 2000.

11. Rosid, Andiana. Pengaruh Komunikasi Word Of Mouth Communication (WOM) dan Kualitas Produk Terhadap Keputusan Pembelian Pencuci Muka/Facial Foam Pond’s Pada Santri Putra Pondok Pesantren Ali Maksum Krapyak Yogyakarta. Skripsi. Universitas Negeri Yogyakarta. 2009.