

The Effect of Sales Promotion, Product and Credibility of AntaVaya Travel Agent on Customers' Purchase Intention

Cynthia Nathania¹, Dinda Mutiara Ayuni², DwipittaLaras Putri³
^{1,2,3}(Faculty of Communication/LSPR Communication and Business Institute, Indonesia)

ABSTRACT: The world of tourism has become one of the most interesting fields in the past years. The need for recreation and holidays are increasing making the tourism industry grow rapidly so it will have the possibility to require holiday through travel agents. There are several things that must be possessed by Travel Agents such as Sales promotion and must have a product to offer to its customers, and also Credibility which is one of the factors that support customers' purchase intention. The focus of this research will be on the AntaVaya Tour & Travel Central Park branch for five months from December 2018 to April 2019 by dividing the questionnaire to 100 respondents to test the significant influence between sales promotion, product, and credibility of travel agents on customers' purchase intention. The research method used is quantitative causality research which will prove the causal relationship between the independent variables namely sales promotion, product, and credibility and the dependent variable is customers' purchase intention. This study uses descriptive analysis techniques in which the results of the study indicate a significant influence between sales promotion, product, and credibility of AntaVaya travel agents on customers' purchase intention.

KEYWORDS : *Credibility, Purchase Intention, Product, Sales Promotion.*

I. INTRODUCTION

The world of tourism has become a very interesting field for the past few years. With the interests of recreation or entertainment that are making tourism a tradition for some people. The need for recreation and vacations are getting higher and the tourism industry is growing rapidly. In Indonesia itself, many attractive destinations are also becoming one of the reasons people travel. Most of the tourists came to Bali for domestic trips, while having Tokyo for the international trips (Adiakurnia, Travel Kompas, 2018). This phenomenon has led to the increasing number of travel agents and tour operators.

One of the largest travel agents in Indonesia, AntaVaya Corporate Travel (PT. Vayatour), or known as AntaVaya Tour & Travel, is having a reputation for quality service and professional management. As one of the competitive travel agents, AntaVaya has various sales promotions such as a 15% discount promo, cashback vouchers, and others, which are making AntaVaya quite attractive to consumers.

As stated by Kotler & Armstrong (2016, p. 518), sales promotion is becoming one of the important things that should be owned by a travel agent. Sales promotion becomes the very first thing in a business activity to sell a product and reach the target market.

Along with the sales promotions offered, travel agents must also have a product to offer. As shown through the several flyers that AntaVaya has been distributing, they also have a variety of products in the form of airline ticket offers, product tours, land arrangements and ticket admissions. Regarding this matter, Alma stated that "*Products are everything that can be offered in the market, to satisfy consumer needs and desires*" (Alma, 2013, p. 139). Sari (2017) also stated that products are anything that can be offered to the market, in order to satisfy wants or needs from the customers.

AntaVaya, as one of the largest travel agents in Indonesia, runs a sales promotion on a product tour namely *Japan Sakura*, it includes a sales promotion in the price off category or discount, which would lasts for two months. This offering is in line with the statement from Kotler and Armstrong (2016) which states that the sales promotion is a short-term incentive, which only runs for two months in Antavaya.

In order to support the purchase intention, that leads to the purchase decision, there should be another factor from the brand equity, rather than sales promotion and product factors. Referring to the study by Hanafi (2016), it found that the brand equity had a significant influence on purchasing decisions in Antang Village, Makassar.

Referring to all of the factors described above, it is seen that the sales promotion, product, and travel agent credibility are important to build the customer purchase intention. It is an interesting phenomenon for the author to study. Based on these backgrounds, the authors are interested to conduct the research with the title of "The Influence of Sales Promotion, Product, and Credibility of *AntaVaya* Travel Agent on Customers' Purchase Intention."

II. LITERATURE REVIEW

2.1 Sales Promotion

Kotler & Armstrong (2016, p. 447) stated that Sales Promotion is "*Short-term incentives to encourage the purchase or sale of a product or service*" (Kotler & Armstrong, 2016, p. 447). Belch & Belch (2015) also argued that sales promotions consist of Consumer-Oriented Sales Promotion and Trade-Oriented Sales Promotion. Whereas, consumer-oriented is targeted to the users of products or services. So that the promotional tools can encourage consumers to make direct purchases and thus stimulate short-term sales. Meanwhile Trade-Oriented is targeted to the third parties, as wholesalers, distributors and retailers.

2.2 Product

According to Sari (2017), a product is anything that can be offered to the market in order to satisfy a desire or need. Align with that, Kotler and Keller (2016) also stated that many people think that a product is tangible, yet the product itself is anything that can be offered to the market to satisfy wants or needs, including physical goods, services, experiences, events, people, places, properties, organization, information and ideas. They also mentioned the product itself has five levels, which are:

1. Core Benefit
2. Basic Product
3. Expected Product
4. Augmented Product
5. Potential Product

2.3 Brand Credibility

To create a significant brand equity, it should require an achievement in the brand resonance pyramid, which only happens if the pyramid is structured correctly (Keller, 2013). One of them is brand judgments, in which Keller (2013) states that the Brand Judgments are customers' personal opinions about and brand evaluations, which only formed by a customer, by combining all the performance and brand image associations. Which one of them is through credibility. Credibility from travel agents is also one of the factors that support Customers' Purchase Intention

Brand credibility itself, according to Keller (2013), describes how far customers see a credible brand in the three dimensions: perceived expertise, trustworthiness, and attractiveness. In which explained down below.

1. Brand Expertise
Including Competent, Innovative and Market Leader
2. Brand Trustworthiness
Reliable and keep the customer's interest in mind
3. Brand Likability
Fun, interesting and worth spending time with.

2.4 Purchase Intention

According to Mujiono (2009) (in Suradi, 2012) Purchase intention is a psychological activity that increases due to the feelings (affectively) and thoughts (cognitively) about a desired product or service. Daryanto stated that "purchase intention is the behavior of consumers, where they can illustrate the search to buy, use, evaluate and improve their products and services" (Daryanto, 2012, p. 221).

According to Kotler & Keller, (2016), the dimensions of purchase intention are through the AIDA stimuli model. The explanation of each dimension of purchase intention is as follows:

1. Attention
Attention to a product, after hearing or seeing the product being promoted.
2. Interests
After getting information about the products being promoted, at this stage there will be a sense of interest in the products offered, if consumers are impressed with the stimuli provided by the company.
3. Desire
After consumers search for information about the advantages of these products, at this stage the consumers will have the desire to buy the product
4. Action
Action is the last stage, consumers will make the decision to buy the product.

III. RESEARCH METHODOLOGY

3.1 Research Method

The research will be conducted in quantitative methods with a positivistic paradigm that uses a deductive mindset which will answer the problem formulation and formulate hypotheses based on pre-existing theories and the results of data or facts that have been obtained. This research used three paradigms including the independent variables, Sales Promotion (X1), Product (X2), and Credibility (X3) and the dependent variable is Customers' Purchase Intention (Y).

This research was obtained by distributing questionnaires to 100 customers of AntaVaya Tour & Travel Central Park Mall branch, West Jakarta. The data measured by using Likert scale. As Sugiyono (2014, p. 132) stated that Likert scale is used to measure attitudes, opinions and perceptions of a person or group of people about social phenomena. Whereas it is used due to a gradient from very positive to very negative measurements (Sugiyono, 2014, p. 96). Researchers analyzed data using descriptive analysis techniques, then the data was processed using IBM SPSS version 22 through a series of tests.

3.2 Population and Sample

The population in this research are customers of AntaVaya Tour & Travel, Central Park Mall, West Jakarta, totaling 3,659 (the period November 2017 - October 2018). The sampling technique used in this research is probability sampling with simple random sampling technique. This research uses the percentage error rate (e) of 10%, which means the level of truth of the research results is 90%. By calculating the sample using the Slovin formula, the result is 99.97, rounded to 100.

3.3 Instrument Analysis

3.3.1 Validity Test

Based on Siregar (2013, p. 46), validity test is showing how far a certain measurement tools (in this research is Questionnaire), could measure the validity itself. To test the validity, this research uses the product moment correlation coefficient, which can be seen from the product moment correlation coefficient that exceeds 0.3 or r-table, or the Sig. \leq α .

3.3.2 Reliability Test

In this study, using an internal consistency reliability test, this test was carried out by trying a measuring instrument just once, then the data obtained were analyzed using certain techniques (Siregar, 2013). For the reliability measurement technique, this research uses Cronbach's alpha technique where the requirements for the research instrument could be said to be reliable using Cronbach's Alpha if the reliability coefficient (r11) $>$ 0.6. (Siregar, 2013).

3.4 Data Analysis

Multiple Linear Regression Analysis

Based on Arikunto (2013) the formula that being used is $Y = a + bX + cZ$, which then translated to the following formula:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3$$

Notes:

Y	=	Dependent Variable
a	=	Constant
b ₁ , b ₂ , b ₃	=	Regression Coefficient
X ₁ , X ₂ , X ₃	=	Independent Variables

IV. RESEARCH FINDING AND DISCUSSION

Multiple Linear Regression Analysis

Multiple linear regression analysis aims to determine the influence of Sales Promotion, Product and Credibility of Antavaya Travel Agent on Customer Purchase Intention. The result of the analysis are shown in the table below:

Coefficients								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VI F
1	(Constant)	-.379	1.260		-.301	.764		

	Sales Promotion	.319	.077	.265	4.159	.000	.769	1.300
	Product	.130	.020	.475	6.521	.000	.591	1.693
	Credibility	.125	.034	.272	3.711	.000	.585	1.710

Source: Data Processed, SPSS Result, 2019

From the results of multiple linear regression test between variables Sales promotion, Product, Credibility and Consumers' Purchase Intention (Y) can be formulated as follow:

$$Y = -0.379 + 0.319X_1 + 0.130X_2 + 0.125X_3$$

Based on the result of data analysis and the regression equation, it can be explained as follow:

1. A constant value of -0.379 indicates if the coefficients of the Sales Promotion (X1), Product (X2) and Credibility (X3) are zero (0), then the value of Customers' Purchase Intention (Y) is -0.379.
2. Sales promotion variables have the coefficient of 0.319 in this regression test, which indicates the addition of 1 value (due to a positive value) on the variable sales promotion will provide an increase in Customers' Purchase Intention of 0.319.
3. Product variables have a coefficient of 0.130 in this regression test, which indicates the addition of 1 value (due to a positive value) on the variable of product will provide an increase in Customers' Purchase Intention of 0.130.
4. The variable of Credibility has a coefficient of 0.125 in this regression test, which indicates the addition of 1 value (due a positive value) on the variable credibility will provide an increase in Customers' Purchase Intention of 0.125.

T Test

T tests have the purpose to determine the presence or absence of partial influence given by the independent variable on the dependent variable. This test will be using a significance level of 0.05 ($\alpha = 5\%$) or a confidence level of 95%. If the value of sig < 0.05 or t arithmetic > T table, then there is the influence of the independent variable on the dependent variable. If the sig value > 0.05 or t arithmetic < t table, then there is no influence of the independent variable on the dependent variable. The T test in this research can be seen in the bale below :

Coefficients								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
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	Credibility	.125	.034	.272	3.711	.000	.585	1.710

Source: Data Processed, SPSS Result, 2019

F Test

The F test has the purpose to test the effect of the independent variables together on the dependent variable. If the sig value < 0.05 or f arithmetic $> F$ table, then there is the influence of the independent variable on the dependent variable. Meanwhile, if the sig value > 0.05 or f arithmetic $< f$ table, then there is no influence between the independent variables on the dependent variable. The F test result can be seen in the following table :

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	206.955	3	68.985	74.373	.000
	Residual	89.045	96	0.928		
	Total	296.000	99			

Source : Data Processed, SPSS Result, 2019

The table above shows the significance level of $0.000 < 0.05$. Based on this result, it can be concluded that the independent variables simultaneously influence Customers' Purchase Intention.

Coefficient of Determination

The Coefficient of Determination was used to measure how much the independent variables can explain the dependent variable, or in other words how much the contribution of independent variables to the change (increase or decrease) of the dependent variable.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.836	.699	.690	0.963

Source : Data Processed, SPSS Result, 2019.

The influence of Sales Promotion towards Customers' Purchase Intention

Based on the data that has been processed using multiple linear regression analysis shows the results of sales promotion on purchase intention. The significance level found $0.00 < 0.05$ indicates that sales promotion variables influence customers' purchase intention.

The influence of Product towards Customers' Purchase Intention

Based on the data that has been processed using multiple linear regression analysis shows the results of product on purchase intention. The significance level found $0.00 < 0.05$ indicates that product variables influence customers' purchase intention.

The influence of Credibility towards Customers' Purchase Intention

Based on the data that has been processed using multiple linear regression analysis shows the results of credibility on purchase intention. The significance level found $0.00 < 0.05$ indicates that product variables influence customers' purchase intention.

The influence of Sales Promotion, Product, Credibility towards Customers' Purchase Intention

Based on the data that has been processed using multiple linear regression analysis shows the results of sales promotion, product, credibility towards purchase intention. The significance level of $0.00 < 0.05$ indicates that the independent variables simultaneously influence customers' purchase intention.

V. CONCLUSION

Based on the results of the analysis, the following conclusions obtained:

1. There are effects of Sales Promotion (X1), Product (X2), and Credibility (X3) on Customers' Purchase Intention (Y) simultaneously. Based on the analysis that has been done, the effects has the positive direction.
2. The total effects of Sales Promotion (X1), Product (X2), and Credibility (X3) towards Customers' Purchase Intention (Y) simultaneously are 0.319, 0.130 and 0.319. If Sales Promotion (X1) has increased by 1 unit, it will increase Customer Purchase Intention (Y) by 0.319 assuming that the effect of the Product (X2) and Credibility (X3) variables are equal to zero or constant. If Product (X2) increases by 1 unit, it will increase Customers' Purchase Intention (Y) by 0.130, assuming the influence of the Sales Promotion (X1) and Credibility (X3) variables are equal to zero or constant. In addition, if credibility (X3) increases by 1 unit, it will increase Customers' Purchase Intention (Y) by 0.125, assuming that the influence of the Sales Promotion (X1) and Product (X2) variables are equal to zero or constant.
3. The contribution of Sales Promotion (X1), Product (X2), and Credibility (X3) towards Customers' Purchase Intention (Y) simultaneously are 69.9% and the remaining 30.1% is influenced by other factors.

Overall, it can be concluded that there is an increase in Customers' Purchase Intention which is influenced by sales promotion, product, and credibility.

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