# SHOPPING ORIENTATION AND SALES PROMOTION ON SALES PURCHASE INTENTION AT BLACKBERRY MESSENGER GROUP CLOTHING SALES IN MANADO

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# ABSTRACT

Online shopping becomes a new phenomenon in the society due to the various benefits offered. Blackberry Messenger (BBM) as a chatting application began to be used by marketer to promote their products and to attract customers through the BBM group of online shop. People in Manado tend to fashionable, stylish, up to date about the trend, and consumptive, and therefore affect the consumer purchase intention. There are some factors which affect sales purchase intention some of them are shopping orientation and sales promotion. The main objective of this research is to know the effect of shopping orientation and sales promotion on sales purchase intention, in the case study at BBM group clothing sales in Manado partially and simultaneously. The population in this research is the people in Manado who had made online purchasing of clothing via BBM at least once. The samples of respondents are 100 respondents. This research used quantitative method with technique analysis is multiple regression analysis. The conclusion is shopping orientation and sales promotion effect the sales purchase intention both simultaneously and partially. This study suggest to the seller to pay attention to shopping orientation and sales promotion to increasing the sales.

Keywords: shopping orientation, sales promotion, purchase intention

# INTRODUCTION

#### **Research Background**

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The development of technology and communication having a significant impact in every aspects of society and economic life. Ease of communication has also been changing people's behavior, including behavior of the purchase decision. The development of the internet on the other hand brings a variety of opportunities for marketer to utilize this technology in order to maximize opportunities.

People previously familiar with the conventional shopping, that means people going out to find a store that provides a wide range of their needs. This kind of store is limited by the time of shopping, which it must be adapted by the operational time store. Now the people had served by the many shopping channel that is not limited by space and time. This is an online store which developed by digital marketers to attract the Internet generation market segments. Online stores usually provide many options, offer competitive prices, and mostly cheaper than the price in conventional stores. It because online stores don't have to rent space or pay a lot of shopkeepers, so that operating costs can be reduced. For this reason the prices of goods can be cut.

Blackberry Messenger (BBM) is a popular chatting application. Based on survey by Nielsen (2014), Indonesian Smartphone consumer still chose Blackberry Messenger (BBM) as the favorite application to chatting. 79% consumer used Blackberry Messenger (BBM) for chatting, followed 57% WhatsApp application user and 30% LINE user. Phenomenon of Blackberry Messenger (BBM) that was originally used as a chatting application began to be used by businesses and marketers to promote their products and to attract customers. Between promotion and product, cannot be separated, these two things are related to each other for successful

marketing. Here there must be a balance, a good product, according to the tastes of consumers, coupled with the right promotion techniques will help the success of marketing efforts.

A promotion technique is intended to attract attention and foster interest in buying members in the Group Blackberry Messenger targeted sales promotion. Purchase Intention is a motive that causes individuals actively engaged with the objects that interest him. From the description above, researchers interested in the rise of the sale or promotion clothes in Group Blackberry Messenger. More research interest towards research on the effects of shopping orientation and sales promotion.

### **Research objectives**

The objectives of this research are to know:

- 1. Shopping Orientation and Sales Promotion on Sales Purchase Intention at Blackberry Messenger clothing sales in Manado simultaneously.
- 2. Shopping Orientation on Sales Purchase Intention at Blackberry Messenger clothing sales in Manado partially.
- 3. Sales Promotion on Sales Purchase Intention at Blackberry Messenger clothing sales in Manado partially.

# THEORETICAL REVIEW

# Theories

#### **Shopping orientation**

Brown, Pope and Voges (2001) define shopping orientations as related to general predisposition toward the acts of shopping. This predisposition may be demonstrated in different forms such as information search, alternative evaluation, and product selection. There are 7 types of shopping orientations which include: recreation, novelty, impulse purchase, quality, brand, price, and convenience (Gehrt et al, 2007).

# **Sales Promotion**

Sales promotion consists of all marketing activities, other than personal selling, advertising and public relations that stimulate consumer purchasing and dealer effectiveness. Sales promotion is usually a short-term tool that is used to stimulate increased demand as soon as possible. Target sales promotions are usually more affected than the attitude behavior. Immediate purchase is the purpose of sales promotion, regardless of any sort taken. Therefore, it seems more reasonable when planning a sales promotion campaign to target customers with respect to the general behavior (Kotler and Keller, 2006:38).

#### **Purchase Intention**

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Purchase Intention is one of the psychological aspects that have considerable influence on the attitudes and behavior of interest is also a source of motivation that will drive a person to do what they do. Interest is something that is personal and relates to the attitude, the individual is interested in an object will have the strength or courage to do a set of behavior to approach or get the object (Rizwan, 2009). Shah explained that Purchase Intention is consumer behavior that indicates the extent of its commitment to make a purchase. The needs and desires of consumers for goods and services evolve over time and affect their behavior in the purchase of the product. In terms of foreign called consumer behavior or consumer's buying behavior. Consumer behavior can be defined as the activities of individuals who are directly involved in obtaining and use of goods and services including the decision-making process on the preparation and determination of these activities. Consumer behavior in making purchasing decisions considering what goods and services to be purchased, where, when, how, how many, and why the purchased product (Shah, 2011).

#### **Previous Research**

Cheng et al (2012) found if the extrinsic cues of a product, such as brand image or online word of mouth, are higher or more positive, consumers will have higher intention to purchase the product. Higher price discount leads to higher purchase intention. The interactions of brand image, online word of mouth, and price discount in pair have significant influence on consumer's purchase intention. Disposition to trust strengthens the relationship between online word of mouth and purchase intention, but it does not moderate the relationship

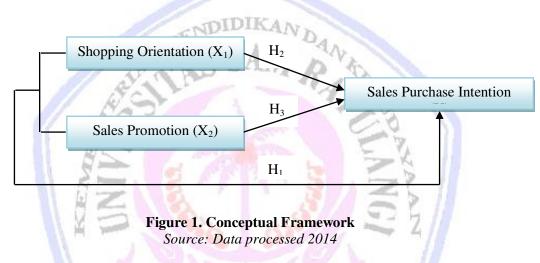
between brand image and purchase intention or between price discount or purchase intention. The moderating effect of consumer's impulsive traits is not significant. Ling, Chai and Piew (2010) in their research about The Effects of Shopping Orientations, Online Trust and Prior Online, indicate that the impulse purchase intention, quality orientation, brand orientation, online trust and prior online purchase experience is positively related to customer online purchase intention.

# Hypothesis

The hypotheses of this research are:

- H<sub>1:</sub> There is an influence of Shopping Orientation and Sales Promotion on Sales Purchase Intention at Blackberry Messenger clothing sales in Manado simultaneously.
- H<sub>2</sub>: There is an influence of Shopping Orientation on Sales Purchase Intention at Blackberry Messenger clothing sales in Manado partially.
- H<sub>3:</sub> There is an influence of Sales Promotion on Sales Purchase Intention at Blackberry Messenger clothing sales in Manado partially.

# **Conceptual Framework**



# **Type of Research**

The type of this research is Causal type of research where it will investigate The Effect of Shopping Orientation and Sales Promotion on Sales Purchase Intention at BBM Clothing Sales in Manado.

#### Place and Time of Research

This research object is people in Manado area who have made online purchasing of clothing via Blackberry Messenger (BBM) at least once. This research is conducted on June until July 2014.

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# **Population and Sample**

Sekaran and Bougie (2010:262) define population is the entire group of people, events, of things of interest that the researcher wishes to investigate. The population that is mainly observed in this current research is people in Manado area who have made online purchasing of clothing via Blackberry Messenger (BBM) at least once. Kotler and Keller (2006:9) define sample is a segment of the population selected for marketing research to represent the population as a whole. The sampling method used to support the measurement technique variables in the study whereas samples taken by each respondent 100 respondents.

#### **Data Collection Method**

Primary data is originated by the researcher specifically to address the research problem. This primary data generated by distributing the questionnaire to people in accordance with this research. While calculating weight rating customer questionnaires using Likert scale. Secondary data in this research is gathered from some related books, journals, internet, and literature from library.

## **Operational Definition of Research Variables**

The explanations about variables in this current study are stated as follows:

- 1. Shopping orientation  $(X_1)$  related to general predisposition by the respondent toward the act of shopping.
- 2. Sales Promotion  $(X_2)$  is a short-term tool that is used by seller to stimulate increased demand as soon as possible.
- 3. Purchase Intention (Y) is the tendency of respondents to act stage before truly purchasing decision implemented.

# Data Analysis Method

# Validity and Reliability Testing

Validity test is the ability of a test to measure what is purport to measure. The instrument will valid if the instrument is able to fill the requirement in validity test. Validity for each variable is good where the values are above minimum level of 0.30. Reliability test is established by testing for both consistency and stability of the answer of questions. Sekaran and Bougie (2010:163) who defined that Alpha Cronbach can be considered a perfectly adequate index of the consistency reliability. The questionnaire is reliable if the value of Cronbach's Alpha more than 0.6. The higher the coefficient the better the measuring instrument.

# Multiple Regression Analysis Method

Cooper & Schindler (2001:767) stated that multiple regression analysis is a technique to observed value of more than one X to estimate or predict corresponding Y value.

The formula of multiple regression models in this research is shown as bellow:

$$\mathbf{Y} = \boldsymbol{\alpha} + \mathbf{b}_1 \mathbf{X}_1 + \mathbf{b}_2 \mathbf{X}_2 + \mathbf{c}_1 \mathbf{x}_2 + \mathbf{c}_2 \mathbf{x}_2$$

Whereas:

Y	=	Sales purchase intention
α	=	Regression constant
b	=	Coefficient regression
X <sub>1</sub>	=	Shopping orientation
X <sub>2</sub>	=	Sales promotion
e	=	Standard error

# **RESULT AND DISCUSSION**

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#### Validity Test

Validity test is used to know whether the instrument is valid or not. The instrument is valid if the value of variable is positive and more than 0.3 (r > 0.3).

#### **Table 1. Validity Test Table**

Validity and Reliability

Variable	Indicator	Pearson Correlation
	X <sub>1.1</sub>	.415**
	$X_{1.2}$	.559**
	$X_{1.3}$	$.408^{**}$
Shanning Orientation $(\mathbf{V})$	$X_{1.4}$	.427**
Shopping Orientation $(X_1)$	$X_{1.5}$	.418**
	$X_{1.6}$	.379**
	$X_{1.7}$	.343**
	$X_{2.1}$	.619**
Sales Promotion $(X_2)$	$X_{2.2}$	.661**
	X <sub>2.3</sub>	.662**

#### Table 1. Validity Test Table (lanjutan)

Variable	Indicator	Pearson Correlation
	X <sub>2.4</sub>	.486**
	$Y_{.1}$	.626**
	Y.2	.845**
Purchase Intention (Y)	Y.3	.817**
	Y.4	.783**

Source: Data Analysis, 2014

Table 1 shows the validity test of variable  $X_1 - Y$  and dependent variable are bigger than r value. The table shows the total number for  $X_1$  - Y are above 0.3, means that all the indicators are valid.

#### **Reliability Test**

Reliability test is used to check the consistency of the measurement instrument.

The reliability test in this research using Alpha Cronbanch that will show the instrument is reliable if the coefficient value is more than 0.6.

# Table 2. Reliability Test Table

Variable	Cronbach's Alpha
Shopping Orientation $(X_1)$	.716
Sales Promotion $(X_2)$	.736
Purchase Intention (Y)	.772
ource: Data Analysis, 2014	27

Table 2 shows the Cronbach's Alpha > 0.6, indicated that all research instrument indicator of variable are reliable.

#### **Classical Assumption**

Multicolinearity

# **Table 3. Multicolinearity Test Table**

Variable	VIF	FAKULTAS EKONOMI
Shopping Orientation $(X_1)$	1.000	DAN BISNIS
Sales Promotion $(X_2)$	1.000	
Source: Data Analysis, 2014.		

Table 3 shows the calculation of Multicolinearity. Moreover, it can be known through the VIF and tolerance, whereby if the value of VIF and tolerance to be around the number <10 then the regression model above are free from multicollinearity. Based on the results in the table above can be seen by SPSS output does not occur because the symptoms of multicollinearity VIF value of  $X_1$  and  $X_2$  was below numbers < 10, this means that there is no connection between the independent variables. Thus, multicollinearity assumptions are met (free of multicollinearity).

# Heteroscesdastisity Test

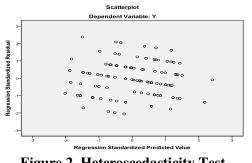


Figure 2. Heteroscedasticity Test Source: Data Analysis, 2014

Figure 2 shows that there is no established pattern, in other words the graph describing the plot spread above and below the number 0 (zero) on the Y-axis. This proves that the independent variable  $X_1$  and  $X_2$  on Y are free of Heteroscesdastisity.

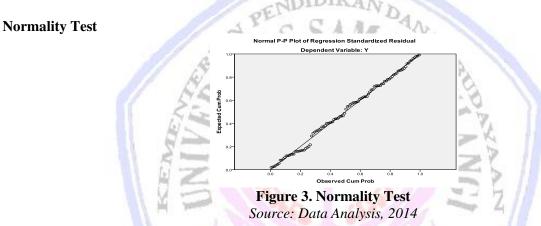


Figure 3 shows that the points spread and spread around the diagonal line in the direction diagonal lines. This proves that the model Regression of The Influence of  $X_1$  and  $X_2$  on Y in test normality assumption was met.

#### **Multiple Regression Analysis**

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In calculating the regression between Perceived Price and Perceived Quality as independent variables and Purchase Intention as the dependent variable, with the help of a computer program package Based on the statistical software SPSS Version 19.0, of the data processing on the attachment is as follows:

#### Table 4. Unstandardized Coefficient Beta Table

Variable	В
(Constant)	.057
$\mathbf{X}_1$	.277
$X_2$	1.114
Source: Data Anal	lysis, 2014

The result from the analysis, obtained by linear regression equation as follows

 $Y = \alpha + b_1X_1 + b_2X_2 + e$   $Y = 0.057 + 0,277 X_1 + 1,114 X_2 + e.$  Y = Sales Purchase Intention  $X_1 = \text{Shopping Orientation}$  $X_2 = \text{Sales Promotion}$  The multiple linear regression equation informs the interpretation as follows:

- 1. Constant value of 0.057 means that if the variables in this research of Variable  $X_1$  and  $X_2$  simultaneously increased by one scale or one unit will increase the Y at 0.057 point.
- 2. Coefficient value of 0.277 means that if the variables in this research of  $X_1$  increased by one scale or one unit, it will improve and increase Y at 0.277.
- 3. Coefficient value of 1.114 means that if the variables in this research of  $X_2$  increased by one scale or one unit, it will improve and increase Y at 1.114.

Thus, if there is any change in factors measuring of  $X_1$  and  $X_2$  will change dependent variable Y.

# **Coefficient Correlation (r)**

The correlation coefficient is used to measure the The Influence of  $X_1$  and  $X_2$  on Y. The correlation coefficient values can be seen in the table below:

# Table 5. Coefficient Correlation (r) and (r<sup>2</sup>) Table

Model	R	R Square	
1	.815 <sup>a</sup>	.664	OIDIKAN
Source:	Data Ana	lysis, 2014	DENDIDIMANDA

The analysis of correlation (r) is equal to 0.815 indicating that the Correlation of The Influence of  $X_1$  and  $X_2$  on Y has a strong relationship.

# **Coefficient Determination** (r<sup>2</sup>)

To determine the contribution The Influence of  $X_1$  and  $X_2$  on Y can be seen that the determinant of the coefficient ( $r^2$ ) in the table above.  $r^2$  value of 0.664 in this study may imply that the contribution of Shopping Orientation and Seles Promotion on Purchase Intention of 66.4 % while the remaining 33.6% is affected by other variables not examined in this study.

# **Hypothesis Testing**

#### **F-Test**

Simultaneous testing conducted to determine the Influence of  $X_1$  and  $X_2$  on Y hypothesis test is carried out simultaneously by using F numbers in the table below.

Testing is done by comparing the number of significant level of calculation results with significance level 0.05 (5%) with the following criteria: FAKULTAS EKONOMI

- If  $F_{count}$  (sig)  $\geq 0.05$  then Ho is accepted and Ha rejected
- If  $F_{count}$  (sig) < 0,05 then Ho is rejected and Ha accepted

# Table 6. Simultaneously Test Table (F - test)

	ANOVA <sup>b</sup>					
	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	15.339	2	7.670	95.673	$.000^{a}$
	Residual	7.776	97	.080		
	Total	23.115	99			

a. Predictors: (Constant), X2, X1

b. Dependent Variable: Y

Source: Data Analysis, 2014

Value of 99.229 of  $F_{Count}$  significant 0.010. Because the sig < 0.05 means the confidence of this prediction is above 95% and the probability of this prediction error is below 5% which is 0.010. Therefore  $H_0$  is rejected and accepting  $H_a$ . Thus, the formulation of the hypothesis that The Influence of  $X_1$  and  $X_2$  on Y Simultaneously, accepted.

#### **T-test**

Partial test is used to test the effect of each independent variable  $X_1$  and  $X_2$  in Partial Impact on Y by performing comparisons between the  $t_{count}$  values with  $t_{Table}$  value at  $\alpha = 0.05$  or compare the probability of the real level 95% of the partial coefficient (r) so that it can be seen the influence of the independent variables individually. Using the criteria of hypothesis testing by t test as follows:

- 1)  $t_{count} \leq t_{tabel}$  (0,05), then  $H_0$  is accepted and rejecting  $H_a$ .
- 2)  $t_{count} > t_{tabel}$  (0,05), then  $H_0$  is rejected and accepting  $H_a$ .

The data table below shows the t-test partially results:

Model	Т	Sig.	
X <sub>1</sub>	2.024	.010	
$X_2$	13.831	.000	
Source: Data Analys	is, 2014		

The calculations in the table above, the interpretation as follows:

- 1.  $t_{count}$  for X<sub>1</sub> 2.024 biogger than the value of 1.984  $t_{table}$  means X<sub>1</sub> has no significant influence partially on Y. The sig. value at 0.010 means that prediction of X<sub>1</sub> influence on Y doing errors is more than 5% which is 1.0%, thus the confidence of this prediction is below 95%. Therefore, H<sub>a</sub> accepted.
- 2. t<sub>count</sub> for X<sub>2</sub> 13.831 greater than the value of 1.984 t<sub>table</sub> means X<sub>2</sub> has significant influence partially on Y. The sig. value at 0.000 means that prediction of X<sub>2</sub> influence on Y doing errors is 0.0%, thus the confidence of this prediction is above 95%. Therefore, H<sub>a</sub> received.

#### Discussion

The research is collected data from 100 respondents that were categorized by age, job, and income. The data is taken from people in Manado who have made online purchasing via BBM at least once. The result shows that Shopping Orientation and Sales Promotion have positive effect on Sales Purchase Intention. Based on hypothesis testing by using F-test and T test, it is proven that there is linear relationship between independents and dependent variable simultaneously and partially. Messenger Group is widely used to perform activities of buying and selling products especially in BBM. A wide range of merchandise or products have been promoted through one of the features that exist on the BlackBerry Smartphone. Ranging from the promotion of electronic goods, sports accessories, to goods which are the primary needs of man are food and clothing, as well as a variety of products or other sales.

This research found that there is a significant influence of shopping orientation and sales promotion on purchase intention in BBM group. This findings is supported by other research conducted by Ling, Chai and Piew (2010) in their research about The Effects of Shopping Orientations, Online Trust and Prior Online. They found that shopping orientation is one factor that determine consumer behaviour in purchase intention. In understanding consumer behaviour, there are many underlying influence a person in making purchasing decisions of a product or brand. In most people, consumer buying behaviour is often preceded and influenced by a number of stimuli from outside him, in the form of marketing stimuli and stimuli from the environment to another. The stimulation is then processed (processed) within themselves, in accordance with his personal characteristics, taken before a purchase decision.

Sales promotion also has significant influence on purchase intention simultaneously. Sales promotion activities of the company is to peddle products that are marketed in such a way, so that consumers will easily see and even by way of placement and certain settings, then the product will attract the attention of consumers. People tent to buy through BBM group based on the promotion that has provided by the seller. Along with the development of technology and social culture, have evolved other media which are then grouped into the mass media such as the internet and mobile phones. The Internet is a loose network of thousands of computers that

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reach millions of people around the world. Original mission was to provide a means for researchers to access data from a number of resources that expensive computer hardware. However, now that the Internet has become a means of communication which is very fast and effective, so that has strayed far from its original mission. Today, the internet has grown into such a large and powerful as a means of information and communication that cannot be ignored. Internet is the perfect tool for alerting and collects a large number of people electronically. Information about a particular event can be transmitted directly, thus making it a very effective tool festive. Lots of forums are available for this special purpose.

This finding is supported by another research conducted by Cheng et al (2012) in their research about purchase intention. Kotler also arguing of the main purpose is to provide information campaign, to attract attention and to further give effect to increasing sales. A promotional activity if done properly can affect consumers about where and how consumers spend their income. Promotion trying to makes demand become inelastic (Kotler and Keller, 2006).

# CONCLUSION AND RECOMMENDATION

# Conclusions

The final conclusions of this research are:

- 1. There is a significant effect of Shopping Orientation and Sales Promotion on Purchase Intention, simultaneously.
- 2. There is a significant effect of Shopping Orientation on Purchase Intention, partially.
- 3. There is a significant effect of Sales Promotion on Purchase Intention, partially.

# Reccommendations

The result and conclusion of the research give the recommendations are such as follows:

- 1. Purchase intention through Blackberry Messenger (BBM) is determined by two main variables which are Shopping Orientation and Sales Promotion. So the seller must pay attention to these two variables.
- 2. To improve this research, the next researcher should add more variable or intervening to make a better result for the influence on purchase intention.

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