

ANALYSIS OF DECISION MAKING FACTORS FOR ORDERING OUTDOOR ADVERTISING PRODUCT SERVICES THROUGH MARKETPLACE AT CV CANDIKARYA SEMARANG

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ABSTRACT

Along with the increasing growth in the world of advertising in Indonesia, consumer awareness of guarantees from advertising agencies or partner companies to produce advertising media that producers want is also increasing. This phenomenon has caused orders for outdoor advertising product services in Indonesia to also increase. This study analyzes the decision factors for ordering outdoor advertising product services on the Facebook platform in the marketplace feature to get products easily without going to a location, so that the negotiation process is more effective and efficient. Finally, make a decision to order the outdoor advertising product services. With the development of internet technology, the ways of communicating and negotiating in the business field have changed. The process of communication and negotiation by utilizing internet media, one of which is by using E-commerce. E-commerce is the process of buying and selling through internet media that is able to streamline time, making it relatively easier. The role of e-commerce has a positive impact, one of which is ordering outdoor advertising products to CV Candi Karya to get cheaper prices. In the beginning, as a means of communication, Facebook is starting to upgrade by adding features to its application, namely the marketplace, where users can communicate as well as order the desired outdoor advertising product. The purpose of this research is to: (1) identify the characteristics of respondents, (2) analyze the decision process for ordering outdoor advertising products, and (3) analyze the decision factors for ordering outdoor advertising products through marketplaces. The sampling method used is total sampling with snowball sampling technique. Analysis was carried out by descriptive analysis, factor analysis, crosstab analysis, and Net Promoter Score (NPS). Based on the results of the study, three groups of new factors formed the decision to order outdoor advertising products through the marketplace, namely individual factors, self-concept and socio-culture. The NPS value for outdoor advertising at CV Candi Karya was obtained by 45%, which means that there are more respondents who recommend it to the community than respondents who do not want to recommend it.

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1. INTRODUCTION

Products and service offerings as a business are known to many people, both individually and as a company, it is the dream of every business actor, both individually and as a company. For that many ways are done to get the desired appearance, attractive and affordable price. One option is to find a company that can produce the desired outdoor advertising through social media.

The Financial Services Authority (OJK) noted according to the results of the 'We Are Social' survey as of April 2021 which was launched in November 2021 that as many as 88.1% of internet users in Indonesia have used e-commerce services in buying a number of products. The survey shows that Indonesia ranks first in terms of use of e-commerce services. Furthermore, 88.1% of internet users in Indonesia have used e-commerce services to purchase products, which ranks first in the world. And 175 million people or 65.3% of the population in Indonesia are connected to the internet. Of this number, there are 129 million Indonesians using e-commerce services in 2020, with a transaction value in e-

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commerce alone reaching IDR 266 trillion. Meanwhile, based on Google and Temasek 2020, Indonesia is projected to become the country with the number one digital economy in Southeast Asia in 2025 with a digital transaction contribution of US \$ 124 billion or IDR 1,736 trillion.

It automatically means that Indonesia is in fourth place when viewed from the number of residents who carry out buying and selling transactions online through e-commerce. Indonesia is right under China, Japan and the US.

The huge potential of Indonesia's economy has encouraged many startup actors to emerge from the health, education, and financial sectors and did not rule out the possibility in the business realm through advertising activities. OJK focuses on five points in the 2020-2024 Digital Finance Innovation Roadmap and Action Plan. First, encouraging the implementation of fast and massive digital transformation in the financial services sector.

Second, create a regulatory climate that is innovation-friendly and still prioritizes aspects of consumer protection. Third, developing contributive and inclusive digital financial services that focus on empowering MSMEs. Fourth, increasing the capacity and talent of human resources in the digital sector of the financial services sector. Fifth, improve the quality of supervision by accelerating the implementation of IT and reg-tech based supervision.

Advertising spending in semester I of 2022 reached IDR 135 trillion, an increase of IDR 8 trillion or 7 percent from the achievement in the same period in 2021 of IDR 127 trillion. This increase was driven by the recovery of the industrial sector after Covid-19. Nielsen Indonesia Lead Client Director Selly Cahyani Putri said that the industrial sector is starting to gain confidence in advertising after recovering from the Covid-19 pandemic. in semester-i-2022, accessed 20 October 2022, 20.35 WIB). Based on the data above, the service industry for the provision and production of outdoor advertising over the past year has continued to experience significant growth.

Consumers are more selective and careful in ordering and at the same time purchasing the products they will use. Various advertisements from companies that provide outdoor advertising production services are increasingly circulating on social media that are widely used by consumers, one of which is the marketplace. It is undeniable that this is also influenced by the increasingly rapid development of technology which has an impact on changing the order of life, including in business. In this digital era, doing business by utilizing technology is becoming a profitable thing, this is because users use smartphones in their daily lives. For example, communicating with business partners, seeking information and shopping. Therefore, several e-commerce platforms began to emerge, such as Lazada, TikTok, Shopee and Tokopedia. Which presents a shopping atmosphere with its own style, so that communication and negotiations in this case are packaged even simpler. E-commerce itself is a buying and selling application through internet media. (Sumarsan Goh & Sagala, 2021).

Apart from E-commerce, Marketplace is a solution created by the rapid development of information and communication technology that has hit the trading industry. This is because, every business actor can display their products for sale and purchase without having to bother building a system. Unlike the case with E-commerce, which on its website offers goods as well as a system for its users. With a marketplace, business actors can provide complete information about the products they sell on the marketplace, such as product information, prices, production processes and when to ship the ordered products. Business actors can also interact with customers online about everything related to the products offered (Yustiani & Yunanto, 2017).

From the various conditions of today's outdoor advertising service provider companies, with the number of product orders desired by business owners which continues to increase, then one method for online marketing and sales can be through the marketplace platform as has been done by CV Candi Karya. This is appropriate based on marketplace user data obtained by researchers after using the marketplace.

2. METHOD

Sampling method This study uses a survey method, with a questionnaire data collection technique. The research population was all CV Candi Karya consumers who knew about CV Candi Karya through marketplaces for 1 year, from December 2020 to November 2021. The sample selection method used was the total sampling method using the snowball sampling technique.

Data Processing and Analysis Methods

The data analysis method used in this study is descriptive analysis method, crosstab analysis with chi-square, factor analysis and Net Promoter Score (NPS). Before the questionnaire data was further analyzed, validity and reliability tests were carried out.

1. Descriptive Analysis

According to Riduwan and Sunarto (2011: 65), descriptive analysis is an analysis that describes a data that is made, either alone or in groups. In this study, descriptive analysis was used for qualitative data obtained through filling out questionnaires by respondents. The descriptive analysis used in this study is the mode. Descriptive analysis identifies consumer characteristics which are then made into tabulations.

2. Factor Analysis

According to Widarjono (2015: 82), factor analysis is a way to find or obtain a number of indicator variables that are able to maximize the correlation between indicator variables. There are two types of factor analysis, namely exploratory factor analysis (EFA) and confirmatory factor analysis (CFA).

In this study exploratory factor analysis was used, namely testing was carried out by looking for a number of indicators to form a common factor without any previous theoretical basis. In other words exploratory factor analysis is a method for building theory (theory building). The steps in factor analysis are as follows:

1) Calculating the correlation between the observed indicators. In conducting factor analysis, the first decision that must be taken by researchers is to analyze whether the existing data meets the requirements in factor analysis. Several measures can be used for data adequacy requirements as a rule of thumb, in this study the correlation indicators were calculated using the Kaiser-Meyer Olkin (KMO) method.

2) Factor extraction. Factor extraction is a method for reducing data from several indicators to produce fewer factors that are able to explain the correlation between the observed indicators. In factor extraction research using Principal Components Analysis.

3) Factor rotation. Factor rotation is needed if the factor extraction method has not produced a clear main factor component. There are several methods that can be used, the factor rotation used for this study is the Varimax Method.

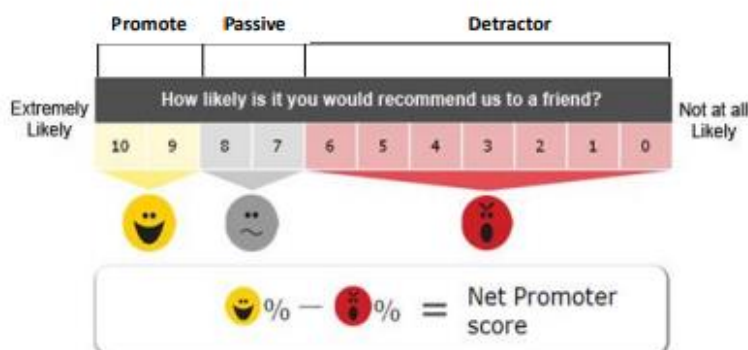
3. Crosstab analysis with Chi-Square Test

Crosstabulation tables, or commonly abbreviated as crosstabs, are statistical tools that can be used to see the relationship of a combination of two or more variables (Simamora, 2005: 83). Wahyono (2006: 77) argues that crosstabs analysis is an analysis that falls into the statistical category which displays cross tabulations or contingency tables showing a joint distribution and testing the relationship between two or more variables. While the Chi-Square test or what is often called Chi square is used to test alignment, where the test is carried out to check the dependence and homogeneity of a data. The Chi-Square test will observe in more detail whether or not there is a relationship between variables.

4. Net Promoter Score (NPS)

According to Reichheld (2011: 94) NPS is based on observations that divide consumers into three groups with each pattern of behavior. Promoters are consumers who are enthusiastic and loyal to buy the product and encourage their friends to try it. Passive consumers are satisfied but not enthusiastic about encouraging others to try the products they buy, passive consumers can be easily tempted by other products or competitors. Detractor is a consumer who is dissatisfied and will not recommend the product purchased to others

Figure 2. Net Promoter Score (NPS)



Sumber : Reichheld (2011)

Gambar 2.
Net Promoter Score (NPS)

Based on Figure 2 it is known that the promoter group is consumers who give a value of 9 or 10, passive are consumers who are Promoter Passive Detractors give a value of 7 or 8, and detractors are consumers who give a value of 0 to 6. In this study, respondents were divided into 3 categories:

- 1) Detractor: Respondents who stated that they would not recommend CV Candi Karya to other potential customers
- 2) Passive: Respondents who stated "If asked, would recommend CV Candi Karya to other potential customers"
- 3) Promoter: Respondents who stated "Definitely will recommend CV Candi Karya to other potential customers"

3.RELUST AND DISCUSSION

Characteristics of Respondents

Based on the results of the study, the characteristics of the respondents were obtained based on age, education, occupation, income, expenses, and the frequency of ordering outdoor advertising products. In this study the majority of respondents were aged 19 to 23 years with a percentage of 69%. Based on the last education of the respondents, the majority were SMA with a percentage of 46%. The majority of respondents work as company owners 75%. Based on income, the majority of respondents had an income range of IDR 5,100,000 – IDR 9,000,000 with a percentage of 37%. Respondents spend an average of Rp. 3,000,000 – Rp. 7,000,000 every month for outdoor advertising expenses for the advancement of their respective products and companies.

While the frequency of purchasing/ordering outdoor advertising every year the majority of respondents make 4 to 6 purchases/orders.

Validity and Reliability Test Results

Test the validity in this study using the Pearson Product Moment correlation method. The confidence level used is 90 percent, namely α of 0.10 ($r_{table} = 0.3061$). The results of the validity test show that the items in the questionnaire are valid. This is because $r_{count} > r_{table}$, which is between 0.546 - 0.836. The reliability test was carried out using the Alpha Cronbach method. To determine whether the instrument is reliable, namely by using the limit of 0.6, namely if $\alpha_{count} > \alpha_{Cronbach}$ (0.6), then the indicator is reliable. The results of the reliability test produced a Cronbach Alpha value of 0.91, so that all item attributes in the questionnaire could be declared reliable.

Respondents' Knowledge of Outdoor Advertising Production at CV Candi Karya

Based on the research results, there are 6 types of outdoor advertising that are usually ordered by respondents at CV Candi Karya. The following types of production and the number of respondents who use them can be seen in Table 1.

Table 1. Types of Outdoor Advertising Produced by Candi Karya Ordered by Consumers Via Marketplace

NO	Outdoor Advertising Type Category	Number Respondents	of Percentage
1	Billboards or Billboards	22	17,9 %
2	Banners and MMT	17	13,8 %
3	Poster	12	9,7 %
4	NeonBox	35	28,5 %
5	Tron Video	0	0
6	Wall Painting	9	7,4 %
7	Etc	28	22,7 %
	Subtotal	100	100

Table 2. Formed Factor Groups

No	Variable	Factor Loadings	Old Factor Group	New Factor Group
1	belief	0,83	Personal	Individual
2	Experience	0,78	Personal	
3	Needs	0,91	Psychological	
4	Product Image	0,84	Psychological	
5	Trust	0,81	Psychological	
6	Habit	0,79	Psychological	
7	Openness	0,78	Psychological	
8	Educational status	0,63	Social	Self concept
9	Job status	0,58	Social	
10	Type of work	0,64	Personal	
11	Age	0,77	Personal	
12	Expenditure	0,63	Personal	
13	Lifestyle	0,71	Personal	
14	Innovation	0,83	Culture	Socio-cultural
15	Community	0,77	Social	
16	Communicative	0,73	Culture	

Source: Data Processing Results (SPSS) Description: in bold the highest loading factor

Based on Table 2, there are three new factors that are formed, these three factors are as follows:

1. Individual Factors

Based on the results of factor analysis, the first factor that is formed is named individual factor, has seven variables namely beliefs, experiences, needs, product image, trust, habits and openness. Individual factors are the largest factor formed from factor analysis because they have a diversity of data of 50.46%, which means that the respondent's decision-making process in placing orders for products from CV Candi Karya in the form of outdoor advertising considers individual factors and makes them the most important factor in deciding to make a purchase. The need variable has the highest loading factor value of 0.91 which indicates that the respondent's need for product orders from CV Candi Karya in the form of outdoor advertising encourages respondents to make purchases.

2. Self-Concept Factor

Based on Table 2, the second factor formed from the factor analysis is called the self-concept factor, which has six variables, namely educational status, type of work, age, expenses, and lifestyle. This factor has a data variance of 15.03%. Age has the highest factor loading value of 0.77. The age of the respondents encouraged them to order products from CV Candi Karya in the form of outdoor advertising. Most of the respondents were young and at the same time as company owners who were required to move quickly in creating business branding by always innovating. One of them is by placing continuous orders at CV Candi Karya.

3. Socio-Cultural Factors

Based on Table 12, the third factor formed from factor analysis is named socio-cultural factors, has three variables, namely trends, prestige/prestige, and friends. This factor has a diversity of data of 6.91%. The innovation variable has the highest factor loading value of 0.83. The existence of innovations in the outdoor advertising production process at CV Candi Karya adjusts to the development of the digitalization era in production techniques causing respondents to be interested in trying so as to encourage them to finally place orders as needed.

The results of Crosstab Analysis with Chi-square Test the relationship between respondent characteristics and the factors that influence the decision to buy or order can be seen using Crosstab Analysis with Chi-square Test. Respondent characteristics in this case there are 6 variables namely age, education, occupation, lifestyle, average spending for outdoor advertising and communicative in the order process. While the ordering and ordering decision factors of the respondents consisted of 4 factors namely cultural, social, personal, and psychological. The hypothesis used is:

-H₀ : There is no relationship between the characteristics of the respondents with the factors of the decision to order/order outdoor advertising

-H₁ : There is a relationship between the characteristics of the respondents and the decision factors for ordering/ordering outdoor advertising. Based on the results of the Crosstab analysis, it was found that the characteristics of the respondents as a whole did not have a relationship with the factors of the respondent's purchase decision, but there were two variables that had a significant relationship with the Asymp.Sig (2-sided) Chi-square value < α (0.05), namely the communicative variable of purchase with the cultural factor.

4. CONCLUSION

The results of research conducted regarding decision factors so that orders / orders and purchases of outdoor advertising occur at CV Candi Karya are The characteristics of the respondents are the majority of business owners in the form of coffee shops, hair salons, beauty salons, notary practices, general practitioner practices, shops, and so on with the majority of high school education, income ranges from middle to upper class with an income of IDR 5,100,000 – IDR 9,000,000 per month with a percentage of 37%. Respondents spend an average of IDR 3,000,000 – IDR 7,000 000 every month for outdoor advertising expenses for the advancement of their respective products and companies. While the frequency of purchasing/ordering outdoor advertising every year, the majority of respondents make 4 to 6 purchases/orders per year. The buying decision-making process occurs through five stages. At the introduction stage the most influential are product quality, peer influence, price influence and initial information obtained through the marketplace. In the information search stage, the majority get it through friends. With an increase in production prices it does not affect the order process because the communication process is interactive so that 68% still carry out the order process, even though in the process of interaction and negotiation the possibility of adding or reducing production often occurs. Other

information that is no less important is the composition of the production raw materials ordered according to what was agreed at the beginning of the order process of 43%. At the alternative evaluation stage, what needs to be considered is the guarantee of the safety and benefits of outdoor advertising products in the advancement of products and services offered to respondents' businesses so that more consumers are familiar with them. The dominant answer at the purchasing decision stage is pro-active communication in every production process and immediately providing a solution every time there is an accompanying order process. At the post-purchase behavior stage that influences respondents to make purchases is the respondent's satisfaction and the negotiation process is always open to the difficulties encountered and possible solutions offered by CV Candi Karya. There are three factors that shape the decision to order/order and purchase outdoor advertising products from CV Candi Karya, namely individual factors, self-concept factors, and socio-cultural factors. The dominant factor in making a purchasing decision is an individual factor, with the most related variable being the respondent's need for the outdoor advertising product for the progress of each respondent's business.

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