

THE EFFECT OF WORD OF MOUTH IN INTEGRATED MARKETING COMMUNICATION (IMC) ON DECISION TO BUY THROUGH INTENTION TO BUY IN CITRALAND CITY LOSARI

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Abstract- This study aims to determine the effect of personal selling, sales promotion, events and word of mouth on decision to buy through intention to buy with a case study at CitraLand City Losari. This research was conducted using quantitative methods with PLS (Partial Least Square) analysis. Data collection was carried out by means of a questionnaire to 85 buyer respondents at CitraLand City Losari in 2022 with repeated purchases excluded. From the results of this study, it was found that personal selling and sales promotion had no effect on intention to buy. Events and word of mouth have an effect on intention to buy, word of mouth has a positive and significant effect on decisions to buy. Then intention to buy has a significant effect on decisions to buy. These findings provide insights regarding marketing communication strategies and improvements to these strategies to improve purchasing decisions on products at CitraLand City Losari.

Keywords: Property, Personal Selling, Sales Promotion, Event, Word of Mouth, Intention to Buy, Decision to Buy.

1. Introduction

Ciputra Group is one of Indonesia's leading property companies developing large-scale residential and commercial properties. Ciputra Group has more than 76 projects spread across 33 cities in Indonesia. One of Ciputra Group's development projects is CitraLand City Losari Makassar. High product prices make CitraLand City Losari Makassar can be categorized as a premium/luxury property. The high price makes CitraLand City Losari a target market with middle to upper economic status, it can be seen that 82% are entrepreneurs/entrepreneurs. Middle to upper consumer behavior tends to have more selective behavior in purchasing decisions. Purchasing decisions can be influenced by several factors such as brand reputation, exclusivity, and prestige when deciding which product to buy. Promotional efforts that have been carried out by CitraLand City Losari through various media include online and offline marketing. Online is done with social media advertising, while offline is done through direct interaction, including exhibitions, open houses, events, and canvassing. Based on the background and phenomenon of the problems described above, it is known that CitraLand City Losari Makassar has carried out various marketing methods, but the effectiveness of the strategy is not measurable, especially in the behavior of middle to upper consumers who have different behaviors and are more selective in making purchasing decisions. shows the results of an initial survey conducted related to variables that influence the decision to purchase property products. The survey results show a high influence on Personal Selling, Events, Sales Promotion, and Word of Mouth. Therefore, this study focuses on the Influence of Word of Mouth in Integrated Marketing Communication (IMC) on Purchasing Decisions through Buying Interest in CitraLand City Losari.

2. Literature Review

2.1 Previous Research

Research by Nasution (2019) found that personal selling and promotion variables simultaneously affect consumer buying interest in housing products. Research by Nuraeni and Hadita (2022) found that event marketing has a positive and significant effect on buying interest, buying interest has a positive and significant effect on purchasing decisions, and buying interest can mediate the influence of event marketing on purchasing decisions. Research by Nurlindasari (2020) shows a positive and significant relationship between word of mouth and purchasing decisions. Word of mouth has a positive and significant effect on purchasing decisions when purchase intent decreases at the same time, so it can be concluded that purchase intent is partially mediated.

2.2 Theoretical Foundation

2.2.1 Integrated Marketing Communication (IMC)

Integrated Marketing Communications (IMC) is a marketing strategy, tactic, and activity that encourages companies to focus their multiple channels on delivering single, effective messages through multiple promotional channels. The message in question is a message that attracts the attention of the intended segment and target market (Priansa, 2017, 102).

2.2.2 Personal Selling

Personal selling is a personal presentation by a salesperson representing a business to sell and build customer relationships (Kotler & Ketler, 2016). Personal selling means direct personal interaction between sellers and buyers. Personal selling is the most effective way to develop buyer preferences, beliefs, and actions.

2.2.3 Sales Promotion

According to Priansa (2017, 122), sales promotion is a planned, time-limited, media and non-media promotion to increase product usage, increase demand and increase product availability.

2.2.4 Event Marketing

According to Schemitt, event marketing is used as a marketing communication medium that focuses on buyer experience and provides opportunities for buyers to interact directly with companies, brands, or communities (Maharani, Mustikasari, & Nellyaningsih, 2020, 2).

2.2.5 Word of Mouth

Word of mouth occurs when the product offered satisfies its users. Word of mouth is a marketing activity that makes consumers talk about, promote, recommend, and sell products or brands to other consumers. (Kotler & Ketler, Marketing Management 12th Edition Vols. 1&2, 2016, p. 645).

2.2.6 Intention to Buy

Intention to buy according to Kotler & Keller (2016) is a state in which the consumer has not performed any action based on the action or behavior and the predicted interest is the behavior that occurs in response to an object that reflects the consumer's desire to buy.

2.2.7 Purchasing Decision

Purchasing decisions are part of consumer behavior about how individuals or groups own and use those goods or services and how they meet the needs and wants of a brand. (Kotler, Armstrong, Harris, & He, 2019, p. 158).

3. Research Framework

3.1 Analysis Model

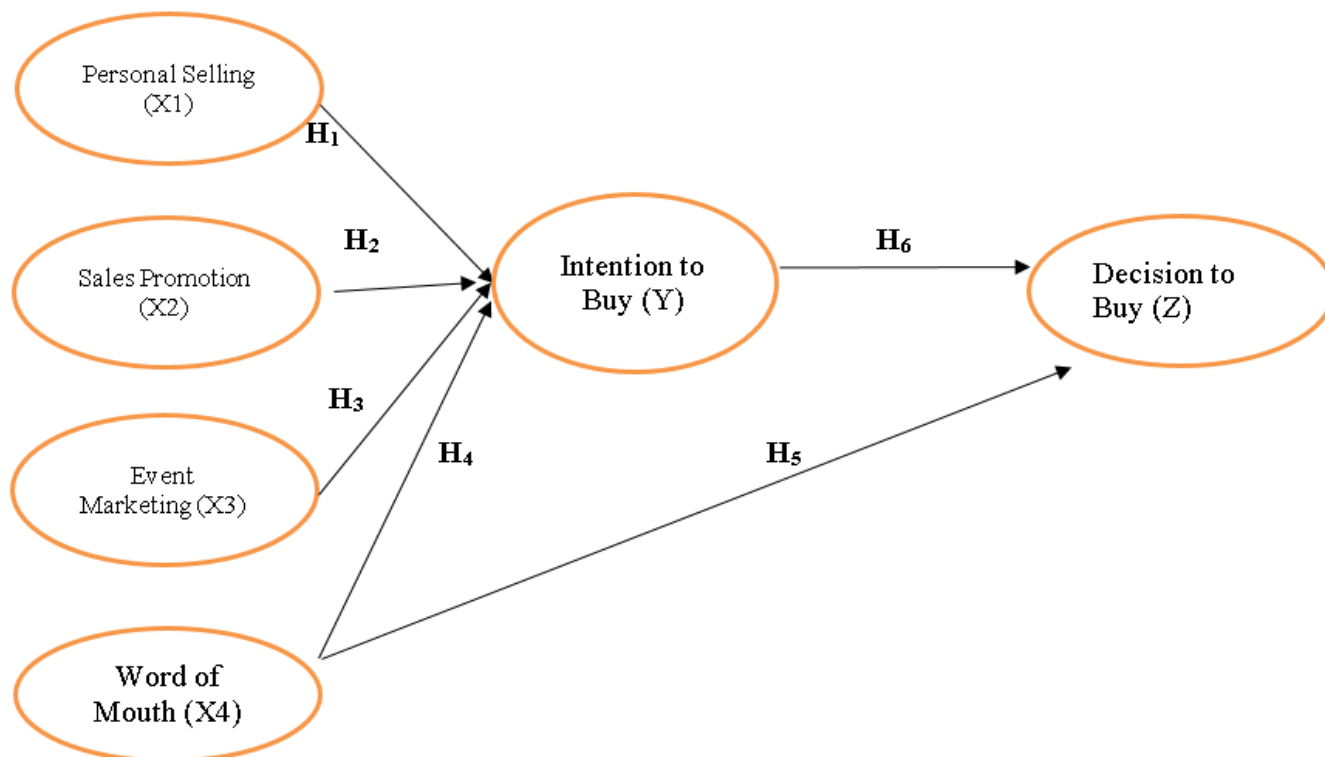


Figure 3.1 Research Conceptual Framework

Processed by Researchers (2023)

3.2 Hypothesis

H1: Personal Selling has a positive and significant effect on buying interest in luxury property products.

H2: Sales Promotion has a positive and significant effect on buying interest in luxury property products.

H3: Event Marketing has a positive and significant effect on buying interest in luxury property products.

H4: Word of Mouth has a positive and significant effect on buying interest

H5: Word of Mouth has a positive and significant influence on purchasing decisions

H6: Buying Interest positively influences purchasing decisions

4. Research Methods

4.1 Types of Research

The method used in this study is the quantitative method. This study used a saturated sample method so that it used the entire population of 85 people. The data collection method used in this study by distributing questionnaires or questionnaires online with the help of Google form was measured using a Likert scale score of 1-5.

4.2 Variable Operational Definition

Table 4.1 Operational Definitions

Variable	Variable Operational Definition	Indicators	Source
Personal Selling (X1)	Personal selling is a personal presentation from a salesperson who represents the company to create sales and build relationships with customers	<ol style="list-style-type: none"> 1. Tangible (seller selection) 2. Reliability (seller's ability) 3. Responsiveness 4. Quality perception 	Vilamor and Arquelles (2014 in Margana, 2019)
Sales Promotion (X2)	Sales promotion is a pre-designed encouragement, both through media and non-media, which is limited to a certain period to encourage product use, increase demand, and increase product availability.	<ol style="list-style-type: none"> 1. Sales frequency 2. Promotion Quality 3. Timeliness 	Kotler (2012 in Margana, 2019)
Event Marketing (X3)	Event marketing is a form of activity to introduce the products and services of business organizations, get closer to the public, and further influence public opinion on the products and services offered	<ol style="list-style-type: none"> 1. Entertainment 2. Excitement 3. Etterprise (dare to try) 	Hongdiyanto and Homan (2020)
Buying Interest (Y1)	Purchase interest is a condition where the consumer has not performed the Action that is used as a basis for predicting the Action or behavior and interest is a behavior that arises in response to an object that indicates the customer's desire to make a purchase.	<ol style="list-style-type: none"> 1. Intend to purchase or use 2. High willingness to be able to buy and use 3. Most likely to be able to buy or use 4. High intent to buy and use 5. Plan to be able to buy or use the product or service compared to other brands or brands. 	Laksamana (2018)

Variable	Variable Operational Definition	Indicators	Source
Word of Mouth (X4),	Word-of-mouth marketing is a marketing effort that triggers consumers to talk about, promote, recommend, and sell products or brands to other consumers.	<ol style="list-style-type: none"> 1. Talkers 2. Topics (messages) 3. Tools (tools to make it easy to talk about) 4. Taking part (company participation) 5. Tracking (monitoring of WOM results) 	Priansa (2017)
Purchase Decision (Z1).	Purchasing decisions are part of consumer behavior about how individuals or groups own, use, and how those goods or services satisfy the needs and desires of the brand	<ol style="list-style-type: none"> 1. Steadiness of buying after knowing product information. 2. Decide to buy because of the preferred brand. 3. Buy because it suits your wants and needs. 4. Buy because you get recommendations from others. 	Kotler & Armstrong (2016)

Processed by Researchers (2023)

4.3 Data Analysis Techniques

The data analysis method in this study is Partial Least Square (PLS). PLS is a multivariate statistical technique that compares multiple dependent variables and multiple independent variables.

5. Result and Discussion

5.1 Description of Respondent Data

The largest number of respondents was male at 56.8%. The majority of the study's respondents were under 35 years old. As many as 45.5% of respondents were under the age of 26 years and another 46.8% were in the age range of 26 to 34 years.

5.2 Description of Research Variables

The mean value of the Personal Selling variable is 4.348 in the Strongly Agree category. The mean value of the Sales Promotion variable is 4.003 in the Agree category. The mean value of the Event variable is 3.824 in the Agree category. The mean value of the Intention to Buy variable is 4.574 in the Strongly Agree category. The mean value of the Word-of-Mouth variable is 4.658 in the Strongly Agree category. The mean value of the Decision to Buy variable is 4.605 in the Strongly Agree category.

5.3 Data Analysis Results

5.3.1 Validity & Reliability Test

The outer loading weight of the indicator is at a value of more than 0.7 so it can be considered that all variables used are valid. All variables used are qualified to be more than 0.5. The value of composite reliability and Cronbach's alpha of all variables above 0.7 is acceptable in this study.

5.3.2 Coefficient of Determination (R²)

The value of intention to buy is influenced by personal selling, sales promotion, events, and word of mouth with an R-square value of 0.725. The R-square value of 0.725 means that the independent variable has an influence

on the dependent variable by 72.5%, while the rest is influenced by other variables that were not studied in this study. Then the decision to buy variable is influenced by intention to buy and word of mouth with an R-square value of 0.823. The R-square value of 0.823 means that the independent variable is influenced by the dependent variable by 82.3%, while the rest is influenced by other variables that were not studied in this study.

5.3.3 Path Coefficient

Table 5.1 Path Coefficient

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
X1 -> Y	0,036	0,023	0,115	0,316	0,752
X2 -> Y	0,077	0,086	0,114	0,672	0,502
X3 -> Y	0,142	0,144	0,064	2,211	0,027
X4 -> Y	0,702	0,678	0,098	7,188	0,000
X4 -> Z	0,675	0,664	0,122	5,547	0,000
Y -> Z	0,264	0,258	0,124	2,121	0,034

Processed by Researchers (2023)

Table 5.2 Specific Indirect Effect

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
X4 -> Y -> Z	0,185	0,175	0,091	2,031	0,042

Processed by Researchers (2023)

1. H1: The relationship between Personal Selling (X1) and Intention to Buy (Y) has a path coefficient of 0.036 with a standard deviation of 0.115. The t-static value is 0.316 which is far below the general limit of 1.96, and the p-value is 0.752, which is much greater than 0.05. This shows that Personal Selling (X1) does not significantly affect the Intention to Buy (Y). Therefore, the **H1 hypothesis is rejected**.
2. H2: the relationship between Sales Promotion (X2) and Intention to Buy (Y) has a path coefficient of 0.077 with a standard deviation of 0.114. The t-static value is 0.672 which is far below the general limit of 1.96, and the p-value is 0.502, which is much greater than 0.05. This shows that Sales Promotion (X2) does not significantly affect Intention to Buy (Y). Therefore, the **H2 hypothesis is rejected**.
3. H3: The relationship between Event (X2) and Intention to Buy (Y) has a path coefficient of 0.142 with a standard deviation of 0.064. The t-static value is 2.211 which is far from the general limit of 1.96, and the p-value is 0.027, which is much smaller than 0.05. This shows that Event (X3) significantly affects the Intention to Buy (Y). Therefore, the **H3 hypothesis is accepted**.
4. H4: The relationship between Word of Mouth (X4) and Intention to Buy (Y) has a path coefficient of 0.705 with a standard deviation of 0.098. The t-static value is 7.188 which is far from the general limit of 1.96, and the p-value is 0.000, which is much smaller than 0.05. This shows that Word of Mouth (X4) significantly affects the Intention to Buy (Y). Therefore, **H4 is accepted**.
5. H5: the relationship between Word of Mouth (M) and Decision to Buy (Z) has a path coefficient of 0.675 with a standard deviation of 0.122. The t-static value is 5.547 which is far from the general limit of 1.96, and the p-value is 0.000, which is much smaller than 0.05. This shows that Word of Mouth (M) significantly influences the Decision to Buy (Z). Therefore, **H5 is accepted**.
6. H6: The relationship between Intention to Buy (Y) and Decision to Buy (Z) has a path coefficient of 0.264 with a standard deviation of 0.124. The t-static value is 2.121 which is far from the general limit of 1.96, and the p-value is 0.034, which is smaller than 0.05. This shows that the Intention to Buy (Y) affects the Decision to Buy (Z) significantly. Therefore, **H6 is accepted**.

5.4 Discussion

5.4.1 The Effect of Personal Selling on Intention to Buy

The results of this study show that the personal selling variable does not affect the intention to buy, so it can be concluded that H1 is rejected. This explains that marketers, based on indicators used in personal selling variables, namely seller appearance (tangible), seller ability (reliability), seller responsiveness (responsiveness), and quality perception (quality perception) do not influence buying interest, so this shows buying interest is not affected by personal selling.

5.4.2 The Effect of Sales Promotion on Intention to Buy

The results of this study show that the Sales Promotion variable does not affect the intention to buy, so it can be concluded that H2 is rejected. This explains that the sales promotion variable, based on the indicators used in this variable, namely sales frequency, promotion quality, and timeliness does not affect buying interest so this shows that buying interest is not affected by sales promotion.

5.4.3 The Effect of the Event on the Intention to Buy

The results of this study show that the Event variable affects the intention to buy, so it can be concluded that H3 is accepted. This explains that event variables based on the indicators used in this variable, namely entertainment, excitement, and enterprise, have a significant effect on buying interest so this shows that buying interest is affected by event marketing.

5.4.4 The Effect of Word of Mouth on Intention to Buy and Decision to Buy

The results of this study show that the word-of-mouth variable affects the intention to buy and the decision to buy, so it can be concluded that H4 and H5 are accepted. This explains that word of mouth based on the indicators used in this variable, namely talkers, topics, tools, taking part, and tracking significantly affects buying interest and purchase decisions so this shows that ask-to-buy and purchase decisions are influenced by word of mouth. This study shows a more significant value between the direct influence of word of mouth on purchasing decisions than through the variable of buying interest. This shows that word of mouth can create purchase decisions directly without going through buying interest. The direct relationship between word of mouth to purchase interest, and word of mouth to purchase decisions shows a high value compared to other variables, indicating the importance of word of mouth in creating buying interest and purchase decisions.

5.4.5 The Effect of Intention to Buy on Decision to Buy

The results of this study show that the variable intention to buy affects the decision to buy, so it can be concluded that H6 is accepted. This shows that the intention to buy is based on the indicators used in this variable, namely the intention to buy or use, the high willingness to be able to buy and use, the likelihood to buy or use, the high intention to buy and use, and the plan to be able to buy and use the product compared to other brands have a significant effect on the decision to buy so that this shows the decision to buy is significantly affected by the intention to buy.

6. Conclusion and Suggestion

6.1 Conclusion

1. The Personal Selling variable does not significantly affect the Intention to Buy. This explains whether or not the quality of marketers affects consumer buying interest.
2. Sales Promotion does not significantly affect the Intention to Buy. This shows that whether or not the promotion carried out does not have a significant effect on consumer buying interest.
3. Events have a significant effect on the Intention to Buy. This explains that the better the event is carried out, the higher the consumer buying interest.
4. Word of Mouth had a significant effect on Intention to Buy, which was the highest influence relationship in the study. This shows that the better the Word of Mouth that is formed, the higher consumer buying interest.

5. Word of Mouth has a significant effect on. Decision to Buy. This shows that the better the Word of Mouth that is formed, the higher the consumer's purchase decision.
6. Intention to Buy has a significant effect on the Decision to Buy. This shows that the higher the buying interest from consumers, the higher the purchase decision.

6.2 Suggestion

6.2.1 For Companies

Companies need to pay attention to marketers/salespeople who are directly involved with consumers to have the ability and reliability to market CitraLand City Losari products. Then, companies can increase or multiply events that involve potential customers to increase buying interest from potential customers. In addition, companies need to maintain and strengthen positive word of mouth from customers who have purchased so that they can influence other prospective buyers in creating purchasing decisions at CitraLand City Losari.

6.2.2 Share Further Research

Further research is recommended to test this study in a different context with a larger sample to obtain validation of the results of this study. In addition, researchers can then add other influential variables to research decisions.

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