

Price Strategy Analysis, Marketing Public Relations, and Personal Selling on Purchasing Decisions with Brand Awareness as a Moderating Variable (Case Study at PT Rentokil Indonesia West Region Marketing Area)

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Abstract

This study aims to empirically examine the effect of price on purchasing decisions, the effect of marketing public relations on purchasing decisions, the influence of personal selling on purchasing decisions, the effect of price, marketing public relations, and personal selling moderated by brand awareness on purchasing decisions. This analysis uses independent variables, namely price, marketing public relations, and personal selling. The dependent variable is the purchase decision, while the moderating variable is brand awareness. The sample was conducted by purposive sampling method. The data was collected using questionnaires which were distributed directly to respondents, totaling 100 customers of PT Rentokil. Statistical method using Moderating Regression Analysis, with statistical test hypothesis testing t. The results of this study indicate that the effect of price on purchasing decisions has an insignificant result, which means it has no effect. While the influence of marketing public relations on purchasing decisions, the influence of personal selling on purchasing decisions, the influence of prices, marketing public relations, and personal selling moderated by brand awareness on purchasing decisions have significant results and have a direct influence on the dependent variables.

Keywords

price; marketing public relations; personal selling; brand awareness; purchase decision



I. Introduction

The increase in the earth's surface temperature due to global warming in Indonesia, according to the BMKG which can be read on the website <https://www.Bmkg.Go.Id> that based on data from 87 BMKG observation stations, the normal air temperature in November for the 1981-2010 period in Indonesia was 26.60c (within the normal range of 21.00c- 28.70c) and the average temperature for December 2021 is 27.00c, this means that there is an increase in temperature from the previous about 0.40c.



Figure 1. Indonesia's normal average monthly temperature for 1981 - 2010 and Indonesia's monthly average temperature until December 2021

With this increase in temperature, it will cause the life cycle of insects to become shorter, and mosquitoes are no exception as one of the vectors of disease. According to Mohd. Fadzil Awang and Mohd. Fadzil Awang, 2020 states that at a temperature of 25oC the *Aedes Aegypti* mosquito cycle reaches 8 (eight days) and if the temperature increases to 28oC then the life cycle of the *Aedes* mosquito becomes 6 (six) days. According to Hasanah and D Susanna, 2019 that there is a significant relationship between temperature, humidity and rainfall on cases of dengue fever in DKI Jakarta province during 2008 to 2016.

The development of the pest control business can also be seen from the increasing number of existing pest control businesses, this can be seen from the active members of ASPHAMI (Association of Indonesian Pest Control Companies) Prov. DKI Jakarta, As of August 2016 There Are 96 Companies (Jayapestindoutama.Co.Id : 21 December 2021) While In 2021 It Will Increase To 99 Companies (Aspphami-Dki.Or.Id : 21 December 2021) Meaning that Within 5 Years the Number of ASPPHAMI Members Increase 3.1 Percent. ASPPHAMI Members throughout Indonesia in 2021 as many as 297 companies (Aspphami.Or.Id: December 21, 2021) While in 2018 the Chairman of DPD ASPPHAMI DKI Jakarta stated that those who are joined and not joined in ASPPHAMI are the number of pest control companies in Indonesia reaching approximately 700 companies (economy .Bisnis.Com: December 21, 2021).

Based on competitor analysis obtained from website searches regarding the number of branch offices of various pest control companies in Indonesia, the top 5 (five) pest control companies have the most branch offices as shown in the following figure:

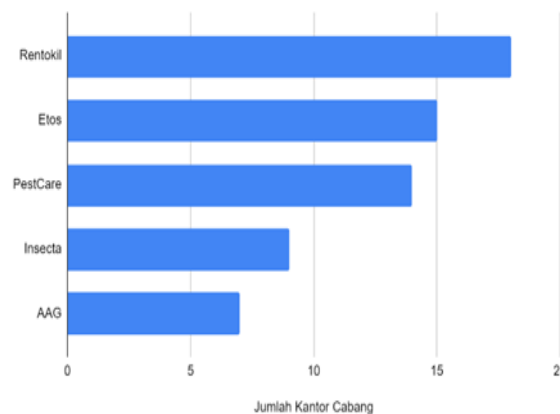


Figure 2. List of 5 Pest Control Companies That Have the Largest Number of Branch Offices in Indonesia

PT Rentokil Indonesia has been in Indonesia since 1969 and is a foreign investment company (PMA) and has branch offices spread across 28 cities which are divided into 3 marketing areas namely the west region, east region and metro region. The division of areas can be seen in table 1 below:

Table 1. Distribution of PT Rentokil Indonesia Marketing Areas

WEST REGION	METRO REGION	EAST REGION
<ul style="list-style-type: none">• Medan• Batam• Pekanbaru• Padang• Lampung• Palembang• Bandung• Cirebon• Semarang• Yogyakarta	<ul style="list-style-type: none">• DKI Jakarta• Bogor• Tangerang• Bekasi• Karawang• Balikpapan• Samarinda	<ul style="list-style-type: none">• Jayapura• Timika• Manado• Makassar• Denpasar• Mataram• Surabaya• Pasuruan• Malang• Mojokerto• Gresik

PT Rentokil Indonesia offers more complete pest control services than competitors, namely pest control (common pest control services such as rats, cockroaches, mosquitoes, flies and ants), termite control (termite control services in homes and commercial buildings either under construction or under construction. already built), fumigation (pest control services by using toxic gas on commodities to be exported or imported), and hygiene (environmental cleaning services such as air freshener and room and carpet cleaning), room disinfection services against germs, especially the Covid-19 virus. Even though it has more complete services and wider branch offices, the number of competitors in the pest control business directly impacts the sales of PT Rentokil Indonesia's services, especially in the west region.

Based on data collected by marketing personnel in the field, it is found that in general, prospective customers prefer competing companies because the service prices are relatively lower than the prices offered by Pt Rentokil Indonesia. The issue of price in this case is also strengthened by research by Gunarsih CM, JAF Kalangi and Tamengkel LF (2021) concerning the effect of price on purchasing decisions, concluding that price has a significant effect on purchasing decisions.

Apart from choosing a competing company, another factor that may determine the purchase decision for PT Rentokil Indonesia's services in the West Region marketing area is regarding the marketing mix. The marketing mix according to Kotler and Keller in Dwinanda, G. and Nur Y. (2020) that the variables of the currently applied marketing mix are 7p (product, price, promotion, place, people, process, physical evidence).

Promotional activities at PT Rentokil Indonesia are dominated by personal selling. This personal selling is in the form of a customer development executive (cde) which carries out the promotion function in the form of face-to-face sales that can directly see consumer reactions to the products offered, it is hoped that by using the right personal selling techniques, PT. Rentokil's west region marketing area can increase consumer purchasing decisions for the products offered.

This is in accordance with the results of research by Alisan and Widya Sari (2018) which states that personal selling has a positive and significant effect on purchasing decisions. Marketing public relations also has an effect on purchasing decisions as is the case with research by Wijaya CR et al (2012) that marketing public relations programs have a significant effect on visiting decisions.

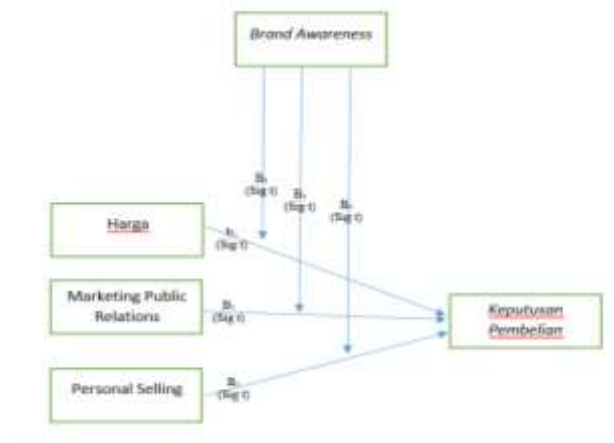
In terms of brand, PT Rentokil Indonesia takes great care of its brand, to the point where it is strict in using and displaying the company's brand. It becomes a serious question when the PT Rentokil Indonesia brand is considered good but sales figures have decreased in the last two years. Prabawa, KTS, et al. (2017) found that by increasing advertising and personal selling, it will directly increase brand awareness and consumer purchase intentions.

From the description above, it is interesting for researchers to research "Pricing Strategy Analysis, Marketing Public Relations, and Personal Selling on Purchasing Decisions with Brand Awareness as a Moderating Variable at PT Rentokil West Region Marketing Area".

II. Research Method

The type of research used in this research is explanatory research of the causal type which seeks to examine the effect of the independent variables on the dependent variable. The scope of this research is to examine the effect of price, marketing public relations and personal selling on purchasing decisions through brand awareness at PT Rentokil in the west region marketing area.

There are 5 research variables, namely, 3 independent variables, one moderating variable and one dependent variable. The first independent variable is price with the symbol x1, the second independent variable is marketing public relations with the symbol x2, and the third independent variable is personal selling. The moderating variable is brand awareness with the z symbol. One dependent variable is the purchase decision with the symbol y. The framework for the influence of the independent variables on the dependent variable in this study is as follows:



$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_7Z$$

$$Z = a + b_4X_1 + b_5X_2 + b_6X_3$$

III. Result and Discussion

This research was conducted on 100 PT Rentokil Indonesia customers as research respondents. The characteristics of the respondents as follows:

Table 2. Characteristics Respondents Based on Gender

Gender	Amount	%
Man	48	48
Woman	52	52
Total	100	100

Source: Processed research data, 2022

Based on the table above, it can be seen that most of the respondents were female, namely 52%, while 48% were male. Most of the respondents have Level First Degree Education. Most respondents came from the city of Lampung.

3.1 Moderating Regression Equation

Based on the calculation of the moderating regression between Brand Awareness moderates the relationship between price and purchase decision. Brand Awareness moderates the relationship between Marketing Public Relations and purchasing decisions as follows:

Table 3. Moderating Regression Calculation Results
Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	std. Error	Betas		
1	(Constant)	.348	2,466		.141	.888
	Price (X1)	.204	0.55	.292	3,734	.000
	MPR (X2)	.239	.067	.272	3,554	.001
	Personal Selling (X3)	.393	.060	.525	6,514	.000
	Brand Awareness (X4)	.116	056	.170	.2067	.041
	X1. X4	.244	068	.349	.3603	.000
	X2. X4	.246	086	.280	.2689	.005
	X3. X4	.418	.067	.259	6,214	.000

a. Dependent Variable: Purchase Decision (Y)

Source: Processed research data, 2022.

The moderating regression line equation obtained for this is:

$$Y = 0.348 + 0.204 X1 + 0.239 X2 + 0.393 X3 + 0.116 X4 + 0.244 X1 * X4 + 0.246 X2 * X4 + 0.418 X3 * X4 + e$$

Where:

Y = Buying decision.

X1 = Price.

X2 = Marketing Public Relations.

X3 = Personal Selling.

X4 = Brand Awareness.

X1 * X4 = Interaction Variable 1.

X2 * X4 = Interaction Variable 2.

X3 * X4 = Interaction Variable 3.

e = Error Term.

3.2 Coefficient of Determination

The value of the coefficient of determination is indicated by the value of the adjusted R square with the following results:

**Table 4. Coefficient of Determination
Summary models**

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.668a	.447	.423	1,274

a. Predictors: (Constant), BRAND AWARENESS, MPR, PRICE, PERSONAL SELLING

Source: Processed research data, 2022.

The coefficient of determination shown by the adjusted R square value is 0.423, indicating that for Price, Marketing Public Relations, Personal Selling, Brand Awareness on Purchase Decision, Price interaction with Brand Awareness, Marketing Public Relations interaction with Brand Awareness and Personal Selling interaction with Brand Awareness on Purchase Decision of 42.30%, while the rest is influenced by other variables not observed in this study.

3.3 Hypothesis test

- i) The results of the calculation of the Effect of Price on Purchasing Decisions obtained that the t value for X1 is 3,734 which is greater than the t table value = 1.985, and the significance value for X1 is 0.000 is less than α which is 5 %. Thus it can be concluded that Ho is rejected and the hypothesis states that there is an effect of price on purchasing decisions (H1) be accepted.
- ii) From the calculation results of the Effect of Marketing Public Relations on Purchasing Decisions, it is obtained that the t value for X2 is 3,554 which is greater than the t table value = 1.985, and the significance value for X2 is . Thus it can be concluded that Ho is rejected and the hypothesis stating that there is an Influence of Marketing Public Relations on Purchasing Decisions (H2) is accepted.
- iii) From the results of the calculation of the Effect of Personal Selling on Purchase Decisions, it is obtained that the t value for X3 is 6,514 which is greater than the t table value = 1.985, and the significance value for X3 is 0.000 is less than α which is 5 %. Thus it can be concluded that Ho is rejected and the hypothesis stating that there is an influence of personal selling on purchasing decisions (H3) is accepted.
- iv) From the calculation results of the Effect of Moderated Prices With Brand Awareness on Purchasing Decisions, the t value for X1*X4 is 3,603 which is greater than the t table value = 1.985, and the significance value for X1*X4 is . Thus it can be concluded that Ho is rejected and the hypothesis which states that there is a moderated price effect with Brand Awareness on Purchase Decision (H4) is accepted.
- v) From the calculation results of the Effect of Moderated Marketing Public Relations with Brand Awareness on Purchasing Decisions, it is obtained that the t value for X2*X4 is 2,869 which is greater than the t table value = 1.985, and the significance value for X2*X4 is 0.005 is smaller than α which is 5 %. Thus it can be concluded that Ho is rejected and the hypothesis stating that there is an influence of Marketing Public Relations moderated by Brand Awareness on Purchase Decision (H5) is accepted.
- vi) From the calculation results of the Moderated Effect of Personal Selling With Brand Awareness on Purchase Decisions, the t-count value for X3*X4 is 6,214 which is greater than the t-table value = 1.985, and the significance value for X3*X4 is 0.000 is greater than α which is 5 %. Thus it can be concluded that Ho is rejected and the hypothesis stating that there is an influence of Personal Selling moderated by Brand Awareness on Purchasing Decisions (H6) is accepted.

3.4 Effect of Price on Purchasing Decisions

Based on the results of the regression equation data using the SPSS Ver 25 program, a price regression coefficient of 0.204 is obtained with a significance of 0.000, so that it can be said that the price variable has a positive influence and significance on the Purchase Decision of PT Rentokil's Pest Control services. This is in accordance with research conducted by Gunarsih CM, JAF Kalangi and Tamengkel LF (2021) that partially, the price dimension has a significant effect on Purchase Decisions on the Shopee application through price, discounts, promos, shipping costs, and product quality.

3.5 The Effect of Marketing Public Relations on Purchasing Decisions

Based on the results of the regression equation data using the SPSS Ver 25 program, the results of the marketing public relations regression coefficient are 0.239 with a significance of 0.001, so that it can be said that the marketing public relations variable has a positive influence and significance on the decision to purchase PT Rentokil's Pest Control services. This is in accordance with research conducted by Ach Syauqi Hal Jinan (2018) that the influence of Marketing Public Relations has a positive and significant effect on the decision to visit Baluran Situbondo National Park, East Java. Marketing Public Relations carries out activities such as publications, events, media identity, and public service activities.

3.6 The Effect of Personal Selling on Purchasing Decisions

Based on the results of the regression equation data using the SPSS Ver 25 program, the results of the marketing public relations regression coefficient are 0.393 with a significance of 0.000, so that it can be said that the personal selling variable has a positive influence and significance on purchasing decisions for PT Rentokil's Pest Control services. This is in accordance with research conducted by Alisan and Sari W (2018) which says that personal selling has a positive and significant effect on purchasing decisions.

3.7 The Effect of Moderated Prices with Brand Awareness on Purchasing Decisions

Based on the results of the regression equation data using the SPSS Ver 25 program, the results of the price moderating regression analysis coefficient and brand awareness are 0.244 with a significance of 0.000, so it can be said that the price variable has a positive influence and significance on the decision to purchase PT Rentokil Pest Control services with Brand Awareness as a moderating variable. According to Suprapti (2010: 24), brand awareness describes the existence of a brand in the minds of consumers which can be a determinant in a category and usually has a key role in brand equity. Brand Awareness helps customers to convey price information in the minds of consumers.

3.8 The Influence of Moderated Marketing Public Relations with Brand Awareness to Purchasing Decisions.

Based on the results of the regression equation data using the SPSS Ver 25 program, the results of the price moderating regression analysis coefficient and brand awareness are 0.246 with a significance of 0.005, so that it can be said that the marketing public relations variable has a positive influence and significance on the decision to purchase PT Rentokil Pest Control services with Brand Awareness as a moderating variable. According to Abadi in (Sinaga, 2014, p. 184) Marketing Public Relations is a process from the planning, implementation, and evaluation stages of programs that will encourage buying interest and the level of satisfaction from consumers, through the process of delivering information and a convincing impression from the company to the brand image of the product.

3.9 The Influence of Moderated Personal Selling with Brand Awareness to Purchasing Decisions.

Based on the results of the regression equation data using the SPSS Ver 25 program, the results of the regression analysis coefficient moderating personal selling and brand awareness are 0.418 with a significance of 0.000, so it can be said that the personal selling variable has a positive influence and significance on the decision to purchase PT Rentokil Pest Control services with Brand Awareness as a moderating variable. This is supported by research by Yudhiartika and Haryanto (2012); Susilo and Semuel (2015), which indirectly explain that brand awareness is able to moderate personal selling with positive and significant purchasing decisions.

3.10 Managerial Implications

a. Effect of Price on Purchasing Decisions

The results of the analysis say that there is a significant effect of price on purchasing decisions. It cannot be denied that the perception of price greatly influences a consumer's decision to buy a product. Based on research on questions on the price variable, an indicator that has very high results with an index of 43.0 is about Rentokil's service prices according to my purchasing power. So, this should be maintained by PT. Rentokil Indonesia. The lowest indicator for this variable is the price for Rentokil Indonesia's services according to the quality of its products with an index of 37.8. Things that can be done by PT. Rentokil Indonesia is reviewing the service activities carried out for customers.

b. The Effect of Marketing Public Relations on Purchasing Decisions.

The results of the analysis state that there is a positive influence and contribution between Marketing Public Relations on Purchasing Decisions. Based on the results of research on this variable, the indicator that has a very high category with an index of 45.6 is the statement, I am always interested in every event held by Rentokil Indonesia. The lowest indicator results in this study, which has an index of 40.0, is a statement regarding the Information Media that is used on target and the information on the website is interesting and up to date. Also reviewing information media materials so that they are on target and do not cause misinformation

c. The Effect of Personal Selling on Purchasing Decisions

Based on the results of the analysis there is a positive contribution and significant influence between personal selling and purchasing decisions. The results of research on this variable reveal that PT Rentokil's salespeople are able to influence consumers with an index of 41.2 and a high category, this is worth defending. The lowest indicator for this variable is that Rentokil salespeople are friendly and introduce themselves to customers with an index of 35.6 and a high category. Thus, PT Rentokil Indonesia requires a review of its salespeople.

d. The Effect of Moderated Prices with Brand Awareness on Purchasing Decisions.

Based on the results of the analysis, price generates a significant reaction with the role of brand awareness. In the research variable on brand awareness, the indicator that Rentokil has various product variants offered produces an index of 37.8 in the high category, affecting price. With the product variants offered to consumers, there is a price variant that is suitable and able to attract customers in making purchasing decisions.

e. Public Marketing Influence Relations Which Is Moderated with Brand Awareness of Purchase Decisions.

Based on the results of the analysis, there is a good contribution between Marketing Public Relations and Brand Awareness, which means that Brand Awareness can be a supporting instrument for Marketing Public Relations in increasing sales. In the research variable on brand awareness, the indicator that Rentokil Indonesia's existence is realized is because of the color and logo attributes that are visible with an index of 38.8 and are in the high category. Then PT Rentokil's marketing public relations division can maintain this attribute channel for brand awareness.

f. The Influence of Moderated Personal Selling With Brand Awareness To Purchasing Decisions.

Based on the results of the analysis, personal selling has a positive result in purchasing decisions. There is also brand awareness which is a factor that strengthens Personal Selling in increasing consumer decisions in purchases. In the research variable on brand awareness, the indicator that customers are satisfied with using Rentokil Indonesia's services has an index of 37.8 and is in the high category. So, PT Rentokil Indonesia must continue to improve and pay attention to the criteria that Personal Selling has, namely, product knowledge and behavior.

IV. Conclusion

1. The Effect of Price on Purchasing Decisions produces a price regression coefficient of 0.204 with a significance of 0.000. So, the hypothesis regarding the influence of this variable is accepted. The five existing indicators produce an average index of 40.28% in the high category.
2. The Effect of Marketing Public Relations on Purchasing Decisions produces a price regression coefficient of 0.239 with a significance of 0.001. So, the hypothesis regarding the influence of this variable is accepted. The five existing indicators produce an average index of 42.20% with a very high category.
3. The influence of personal selling on purchasing decisions produces a price regression coefficient of 0.393 with a significance of 0.000. So, the hypothesis regarding the influence of this variable is accepted. The five existing indicators produce an average index of 38.24% in the high category.
4. The Effect of Moderated Prices with Brand Awareness on Purchasing Decisions produces a price moderation regression coefficient and brand awareness of 0.244 with a significance of 0.000. So, the hypothesis regarding the influence of this variable is accepted.
5. The Effect of Moderated Marketing Public Relations with Brand Awareness on Purchasing Decisions produces a regression coefficient of Moderation Marketing Public Relations and Brand Awareness of 0.246 with a significance of 0.005. So, the hypothesis regarding the influence of this variable is accepted.
6. The influence of moderated personal selling with brand awareness on purchasing decisions produces a personal selling moderation regression coefficient and brand awareness of 0.418 with a significance of 0.000. So, the hypothesis regarding the influence of this variable is accepted.

This research reveals how price, marketing public relations, and personal selling help consumers in making purchasing decisions for PT Rentokil West Region Area pest control services. In general, among the three independent variables, personal selling is the most positive and significant variable. From a managerial and program perspective, these three

variables have different dominance and effects. However, still, all three also have their own advantages in helping consumers determine purchasing decisions.

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