ANALYSIS OF SALES PROMOTION AND WORD OF MOUTH INFLUENCES TOWARDS BRAND AWARENESS AND PURCHASING DECISION

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ABSTRACT

Haresret is a company that engaged in the creative industries. Haresret main product is scrapbook packaged in 3D frame based on consumer request. Consumers certainly have certain consideration before making a decision to buy a product from a company such as promotions and recommendations from others. Looking at the phenomenon that occurs in these companies, researchers will analyze the effect of sales promotion and word of mouth towards brand awareness and purchase decision.

This study aimed to determine the effect of sales promotion and word of mouth towards brand awareness and purchase decisions in Haresret Scrapbook Shop. The number of sample in this study was 76 respondents with sampling criteria, such as respondents were customers of Haresret during February to August 2015. A respondent is only allowed to fill in the questionnaire once. Variables used in this study consisted of variable exogenous (sales promotion and word of mouth), intermediary endogenous (brand awareness), and dependent endogenous (purchase decisions). Data analysis method used in this research is the method of partial least square analysis of structural equation modeling (PLS-SEM).

The result of the analysis of PLS-SEM shows that there is a positive influence on sales promotion (X1) and brand awareness (Y1), Word of mouth (X2) and brand awareness (Y1), Brand awareness (Y1) and purchasing decisions (Y2), Promotions sales (X1) and purchase decision (Y2), Word of mouth (X2) and purchase decision (Y2) Scrapbook Shop Haresret.

Keywords: Promotion, Sales, Word of Mouth, Brand Awareness, Purchase Decision

INTRODUCTION

With the development of world of business today is accompanied by the increasing level of competition in meeting the needs of society, the role of marketing is vitally important for nowadays companies, both goods and services. Consumers have an important role as a determinant of the quality of goods or services, and therefore marketing is bound to a consumer perspective.