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PURCHASING EXPERIENCE AND REFERENCE GROUP FOR PURCHASING DIGITAL MARKETING PRODUCTS

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ABSTRACT

Consumers are the company's biggest asset. If a business wants to continue to grow and develop, the business actor must be able to understand and understand the desires of the various consumers. The purpose of this study is to describe the purchasing experience and reference groups that are used as a reference for consumers in purchasing products through digital marketing. Respondents of this study were consumers of UMKM products in the Greater Malang area who were taken as a representative sample with the conditions in the field. The probability sampling method is used to take samples with a total of 100 respondents. Reference group is used as a reference for consumers in purchasing products through digital marketing. The results of data processing use descriptive analysis. In general, the reference groups that influence digital product purchases are friends / spouses and family. The marketing approach and increasing consumer confidence must be built based on this closeness system through the purchase experience.

KEY WORDS

Consumer, referency group, digital marketing.

The development of information and communication technology causes significant social, economic, and cultural changes to take place rapidly, making the world without borders. One of the developments and advances in information technology is internet technology. The internet is said to be a new medium that has driven many changes in the world since the 1990s.

The advent of the internet has changed the way people communicate, do business, and also campaign politically. This is because the internet connects more people, entrepreneurs and even organizations. The development of technology in communication causes the increasing growth of internet users. This is also supported by the easy access to the internet anywhere and anytime because of the many possible accesses to support internet usage

Social media has experienced development in terms of function, where now social media is not only used as a means of interacting or sending words via messages, but now social media has been used more advanced to be able to do buying and selling business. One of them is the use of the social networks Facebook and Instagram, which are currently widely used for marketing, such as selling fashion, books, airplane tickets, food, and others.

With the number of online shops and social media being used for marketing, it will also increase competition between online businesses in attracting consumers. Consumers are the company's biggest asset. If a business wants to continue to grow and develop, the business actor must be able to understand and understand the various desires of its consumers. Consumers have unique and dynamic behavior in making purchase decisions.

The process of a consumer buying a product or service via the internet begins with the emergence of consumer awareness of an information or product obtained on the internet. Online shopping is a new form of communication that does not require face-to-face contact, but is carried out through notebooks, computers, or mobile phones that are connected to internet services. The online buying process has different steps to physical purchases. The uniqueness of the online buying process is when potential consumers use the internet and are looking for information related to the goods or services needed.

As an entrepreneur, learning to understand consumer behavior in making purchase decisions is very useful. Competition is increasingly intense and consumer demands are diverse, understanding consumers is very important. Therefore, online businesses must have and carry out the right strategy in order to make internet users who have not made online purchases interested in making online purchases and can retain the customers they already have.

METHODS OF RESEARCH

The study builds consumer trust in digital marketing as an effort to strengthen the competitiveness of local umkm in this global era using a quantitative approach. Respondents of this study were consumers of UMKM products in the Greater Malang area who were taken as a representative sample with the conditions in the field. The probability sampling method is used to take samples with a total of 100 respondents. reference groups that are used as a reference for consumers in purchasing products through digital marketing. The results of data processing using descriptive analysis explain the field conditions of reference groups and consumer experiences in purchasing products through digital marketing

RESULTS AND DISCUSSION

Descriptions of Purchasing Experience and Reference Groups Used as Reference for Consumers in Purchasing Products through Digital Marketing as follows:

The frequency of purchasing products online. Currently, of course, almost everyone who owns a smartphone has an application that can be used to make purchases online. Online product purchases are made by consumers to meet the primary and secondary needs of these consumers. In this study, the frequency of consumers making online purchases is divided into 5 categories, namely very rarely, rarely, quite often, often and very often. The following are the results of research that shows the frequency of consumers making online purchases.

Figure 1 – Frequency of Purchasing

Based on the survey results, respondents quite often buy products online; this is in accordance with the previous results which state that the level of purchasing of respondents during the pandemic has increased. Of the 100 respondents studied, there were 38 respondents who were quite frequent and 31 respondents who often made purchases online.

From these data it can be seen that 69% of respondents buy products online. In order to prevent the spread of the Covid-19 virus pandemic, the government advises people not to be close together (social distancing), keep their distance (physical distancing), as well as implementing a work from home scheme so that employees always stay at home. This suggestion causes community activities to be limited so that people choose to shop online. This fairly frequent online purchase can be linked to panic buying made by the public. Based on the results of research conducted by Andras and Tamas (2020) that people make extra purchases to increase stocks at home in certain product groups. This panic buying will always be there.

The level of frequency of purchases during a pandemic. The current Corona outbreak has indeed resulted in changes in behavior in society, including changes in making purchases online. The following is data that shows the level of frequency of respondents making online purchases during a pandemic.

Figure 2 – The level of frequency of purchases during a pandemic

Figure 3 – Satisfaction level with the online purchasing experience

The survey results show that during the pandemic, respondents often make purchases online. Of the 100 respondents studied, 70 respondents stated that they more often made purchases online. This is in accordance with Gusti (2020) who stated that during the Covid-19 pandemic the number of online shop transactions had an increase of 400% and this is predicted to continue to increase. Increasingly increasing online purchases are quite mandatory because this is in accordance with government recommendations which advise all people not to carry out activities outside the home, so consumers prefer to make purchases online and stay at home. The following is the distribution of data regarding the frequency of respondents making purchases online during the pandemic.

Satisfaction level with the online purchasing experience. The level of satisfaction felt by consumers is an important thing that must be considered by producers, because the level of consumer satisfaction will determine consumer decisions in making repeat purchases in the same e-commerce. The following is data regarding the level of consumer satisfaction with the experience of making online purchases. Based on the results of the characteristics of the respondents, it can be concluded that consumers are satisfied with online purchases with results of 57 people.

Consumers feel satisfied or not with online purchases, one of which is the level of online shopping transactions and consumer trust. The formation of satisfaction will create consumer loyalty to the product, and create word of mouth marketing from consumers to others. This is supported by research conducted by Andhini (2017) which states that the ups and downs of consumer satisfaction with online purchases are determined by how high the level of online shopping transactions can be seen from the level of security, various preferences, and a good shopping experience obtained on online purchases. Besides that, it also maintains a good level of consumer confidence which can be seen from the fulfillment of every promise made by business actors, a reliable transaction process.

The distribution system of goods (accuracy of goods, speed of delivery, product safety, etc.) in marketing. Buying or selling products online, of course, requires a third party to connect producers with consumers. The product distribution system must be an important thing because it is an operational system.

Figure 4 – Distribution System

Effective product distribution will provide added value by consumers for producers. The following is data that addresses consumer assessments of the distribution of goods when making purchases online. Based on the results of the characteristics of the respondents, it can be concluded that the distribution system of goods in online marketing

has been said to be good with results of 64 people. The number of shipping services that consumers can choose according to their wishes is a major role in the continuity of good distribution of goods. This is supported by research conducted by Oktaviani et al (2018) which states that the reasons for consumers in choosing the highest shipping service are price, then delivery time, and packaging of goods, system services & services, and then the number of branches. The best service from all the criteria that consumers want, namely J&T in first, TIKI in second, JNE in third and WAHANA in fourth.

Payment system in online marketing. Purchasing online allows producers and consumers not to meet in person so that in order to continue sales transactions, consumers will first make payments online as well.

Figure 5 – Payment System

Figure 6 – Reasons for making purchases online

Based on the results of the characteristics of the respondents, it can be concluded that the online payment system is classified as easy and safe as evidenced by the results of 51

people who said good and 30 people who said very good. The existence of online payments makes it easier to process transactions than conventional payments and also the many types of online payment systems make it more effective and efficient. This is supported by research conducted by Mulyasari et al (2014) which states that online payment systems can save time and effort and also online payment systems provide reliable security regarding payment transactions.

Figure 7 – What types of products are often purchased?

Figure 8 – The purpose of fulfilling needs through online purchases

Reasons for making purchases online. The development of the internet today is getting more and more widespread; even now people don't need to leave the house to make purchases to make ends meet. Practical services are the reasons that most encourage respondents to make purchases online, amounting to 25.10%. The next reason that encourages respondents to make purchases online is the availability of various products, namely 20.46%. This can be seen from the large number of product choices available in the

product provider application, besides the product itself, usually substitute products for these products are also widely available so that consumers do not need to be confused if the available goods are not available.

What types of products are often purchased? The types of products purchased by consumers certainly influence consumer decisions in making purchases online. The products most frequently purchased by respondents when shopping online were fashion products, which amounted to 32.02%, while the products that were least purchased were types of plant seeds and seeds, namely 1.97%.

The purpose of fulfilling needs through online purchases. There are several fulfillment objectives to be achieved in making online purchases. Most consumers make purchases online for the purpose of fulfilling their personal needs. This is indicated by the percentage of the goal of fulfilling personal needs as much as 57.75%, more than the goal of meeting family needs and additional needs.

CONCLUSION AND SUGGESTIONS

In general, the reference groups that influence digital product purchases are friends / spouses and family. So that the marketing approach and increasing consumer confidence must be built based on this closeness system through the purchase experience.

In order to enter digital marketing requires MSMEs to continue to increase their advantages in order to be able to win the competition. Some things that should be considered by MSMEs to increase the excellence of their products are product design and service guarantees. Product design needs to be done in order to attract consumers' attention to make purchases. In addition to product design, service guarantees are also important things that should be considered by MSMEs to increase excellence

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