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Influence of Digital Marketing and Product Quality on Decision to Purchase Cement at PT. Semen Baturaja (Persero), Tbk

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Abstract---The study aimed to determine the effect of digital marketing and the quality of cement products on the purchasing decision at PT. Semen Balfour (Persero), Tbk. The population in this study are all consumers who purchase Baturaja cement from January to June 2021 in the South Sumatra region, whose number is unknown and can be said to be in the infinite category. The sample used in this study was 180 respondents who purchased Semen Baturaja from January 2021 to June 2021 in the South Sumatra region with the following technique: sample determination using a purposive random sampling technique. The results of multiple linear analysis showed that marketing digital positive and significant impact on purchasing decisions of cement in PT Semen Balfour (Persero), Tbk. Quality of products and a significant favorable influence on purchasing decisions of cement in PT. Semen Balfour (Persero), Tbk. On the digital marketing variable, it is expected to be able to carry out routine and periodic website maintenance because there are problems with the search engine assistance on the Baturaja cement website is accessed. The product quality variable is expected to provide more up-to-date product designs and more attractive Baturaja cement products.

Keywords---digital marketing, product quality, purchasing decisions, Semen Baturaja.

Introduction



Figure 1. Digitalabs Builds Sumatra Period March 15, 2019, to January 31, 2021

Data Source: Internal Data of PT Semen Baturaja (Persero), Tbk, 2021

Data in Figure 1. shows a summary of the digital abs Build Sumatra period March 15, 2019, s/d January 31, 2021. It can be seen that the number of users (*users*) indicates as many as 119.573 by the number of visits (*sessions*) as many as 152.367. The *number of* user sessions (*number of sessions per user*) is 1.27%, and the number of pages opened (*pageviews*) is 552,044 each visit year. The average visit made (*avg. sessions duration*) is approximately 3 minutes 5 seconds, and the percentage rate of users who leave the website (*bounce rate*) shows as much as 4.30%.

Table 1
Comparison of Sumatra build analysis in 2020-2021

YoY Period	January		
	2021	2020	Compared
Users	14,912	2,314	12,598
Sessions	8,602	1,765	6,838
Number of Sessions per User	1.14	1.50	- 0.36
Page Views	22,643	12,431	10,212
Page/ Session	2.63	7.04	-4.14
Average Session Duration	00:01:49	00:09:06	00:05:17
Bounce Rate	3.62%	2.95%	0.67%

Source: Internal Data of PT Semen Baturaja (Persero), Tbk, 2021

Table 1. can be seen that the increase in the number of users increased when compared to 2020, which was 12,598. The number of visits (sessions) in 2021 increased by 6,838. The number of sessions per user (*the number of sessions per user*) in 2021 decreased from the previous year by 0.36. The number of pages visited (*pageviews*) in 2021 increased from the previous year to 10,212. The number of pages opened in each visit (*page/sessions*) in 2021 decreased from 4.14 in 2020. The average visit duration in 2020 is around 09 minutes 06 seconds, while in 2021, it is around 01 minutes 49 seconds. The percentage of visitors from the *website* in 2021 increased from 0.67% in 2020.

Table 2
Analysis of Instagram *marketing* PT. Semen Baturaja (Persero), Tbk the year 2021

Top location	Age rage		Gender		
Palembang	18.6%	13 -17	8.4%	Men	60.8%
Baturaja, South Sumatra	17.5%	18 - 24	32.9%	women	39.2%
Jakarta	6.4%	25 - 34	43.0%		
Medan	2.1%	35 - 44	10.0%		
Bandung	2.0%	55 - 64	0.9%		
		> 65	1.6%		

Source: Internal Data of PT. Semen Baturaja (Persero), Tbk, 2021

Table 2. the top location following Semen Baturaja's marketing account is in the Palembang area of 18.6%, while the lowest is in the Bandung area, which shows 2.0%. The average age of followers who follow Semen Baturaja's Instagram marketing is 25 - 34 years by 43%, and the lowest average age of followers is 55 - 64 years at 0.9%. When viewed by gender, the male gender showed a more significant number, namely 60.8% and 39.8% for the female sex. In addition, there was also an increase in the number of followers by 65 followers from the previous month. This increase in the number of followers comes from the Palembang and Baturaja areas, with the male gender being millennial.

PT. Semen Baturaja (Persero), Tbk pursues profit amid competition by expanding strategies including optimizing distribution, optimizing other revenues, to synergies between SOEs so that the company's performance can continue to increase. The Covid-19 pandemic demands the implementation of digitalization in all lines, including marketing. So the company will build a digital solution by establishing white-labeling (Wulandari, 2020). Before the Covid-19 pandemic in 2019, SMBR also focused on increasing marketing and promotions using the bellows the line strategy, namely promotions carried out at the retail and consumer levels. This strategy is carried out so that consumers

become more aware of products from SMBR. SMBR is starting to target the millennial segment by marketing through a digital ecosystem approach (Suryahadi et al., 2020).

Table 3
Youtube analysis of PT Semen Baturaja (Persero), Tbk in 2020

Views	Watch Time (Hours)		Subscribers	
1.4K	118.8		92	
Subscription Status	Views	Watch Time (Hours)		Average View Duration
Not Subscribed	78.20%	634.2	60.60%	0 2:54
Subscribed	21.80%	411.7	39.40%	06:45
TOTAL	16,761	1,046.0		03:44
Gender Viewers	Views	Average View Duration	Average Percentage Viewed	Watch Time (Hours)
female	29.3%	06:41	13.5%	30.1%
Male	70.7%	06:25	13.3%	69.9%

Data Source: Internal Data of PT Semen Baturaja (Persero), Tbk, 2021

Data in Table 3. shows a summary of the Youtube analysis data of PT Semen Baturaja (Persero), Tbk in 2020. The number of visitors (viewers) shows as many as 1,427 visitors during 2020. The total watch time is around 118.8 hours. In January 2021, there was an increase in the number of subscribers on Semen Baturaja's Youtube, as many as 92 subscribers, with the viewer channel on digital ABS TV, which men dominated.

PT. Semen Baturaja (Persero), Tbk, a state-owned company, continues to conduct research and innovation to effectively and efficiently increase production amid increasingly fierce industrial competition. In developing innovations in the field of technological research, PT. Semen Indonesia (Persero), Tbk, and PT. Semen Baturaja (Persero), Tbk established the Indonesia Cement Research Institute (ICRI). ICRI's collaboration includes conducting joint research and collaborating with other research institutions to develop cement, concrete, building materials, and AFR development (Saura, 2020; Järvinen & Karjaluoto, 2015). According to the Director of Production and Development of SMBR, Dacono said that SMBR and SIG would create innovative, high-tech, and environmentally friendly research products as well as improve operating efficiency and *cost leadership* of the Cement cluster with SMBR's net profit showing positive results of up to 25 billion rupiahs. According to the Deputy for Human Resources, Technology and Information of the Ministry of SOEs, Alex Denni said that the step of establishing ICRI is a synergy of Semen Baturaja in demonstrating its commitment to creating innovations and new technologies and to increasing operational efficiency, which will help the company in achieving the company's targets (Andriawan & Tan, 2021). Based on the above background, the problem that can be formulated is as follows: How do digital marketing and product quality influence the cement purchase decision at PT Semen Baturaja (Persero), Tbk?

Literature review

Buying decision

The purchase decision is a stage where consumers choose and are ready to purchase or exchange between money and a promise to pay with ownership rights or use of an item or service (Kotler & Keller, 2016). According to Kotler & Keller (2016), six dimensions influence consumer decisions in making purchases, including 1) product selection decisions 2) brand decisions selected, 3) shop decisions selected, 4) decisions regarding the number of, 5) a decision on the time of purchased chosen, 6) decisions about how to pay.

Digital marketing

Digital marketing is a core of e-business with the approach of a company towards its customers and understands it better, increase the value of a product, expand its distribution network and increase sales by running the digital marketing (digital marketing), which is based on digital media such as marketing through search engines, online advertising and affiliate marketing (Chaffey & Smith, 2013; Dewi, 2020; Krishen et al., 2021). According to Ryan & Jones (2009), the dimensions of digital marketing (digital marketing) from the sale as

part of the marketing mix (4Ps), namely: 1) the website, 2) optimization engine p -finding (engines optimization), 3) advertisement based search clicks pay (PPC advertising), 4) affiliate marketing and partnerships s certain strategic (affiliate marketing an, 5) public relations online, 6) networking's social (social network), 7) email marketing, 8) management customer relationship.

Product quality

Product quality is the ability of a product to demonstrate its function and is one of the most relied upon by a marketer in marketing a product (Kotler & Armstrong, 2015). According to Gaspersz (2008), dimensions of product quality are eight dimensions, are as follows: 1) performance, 2) features (Visible), 3) reliability, 4) conformance to s specification (s compliance with specification, 5) durability, 6) serviceability, 7) aesthetics, 8) fit and finish.

Research Methods

The population in this study are all consumers who purchase Baturaja cement from January to June 2021 in the South Sumatra region, whose number is unknown and can be said to be in the infinite category. In this study, the number of questions in the questionnaire was 36, so the number of samples was five times the number of questions or as many as $5 \times 36 = 180$ respondents. So, the number of samples used in this research is 180 respondents included in the sample with a homogeneous population type or the entire population in the same area by purchasing products with the same type or brand. The sampling technique used in this study was *purposive random sampling*. Respondents in this study were consumers who purchased Semen Baturaja from January 2021 to June 20-21 in the South Sumatra region.

Research Result

Significance of Individual Parameters test (t-test)

Based on the individual parameter significance test (t-test), the value of the *degree of freedom* (df) = $NK = 180 - 3 = 177$ and 0.05, the value for this research data is 1.973. The results of the analysis can be explained as follows:

- a) The value t count of the variable digital marketing (X 1) 10.527 and the significant value of 0.000, the value $>$ ie ($10.527 > 1.973$) or value (Sig.) $0.000 < 0.05$. This means that digital marketing significantly affects cement purchasing decisions at PT Semen Baturaja (Persero), Tbk. This proves that the first hypothesis on digital marketing variables has a positive and significant effect and can be accepted.
- b) The value t count of the product quality variable (X 2) is 5.393 and the significance value is 0.000, so the value t count $>$ t table is ($5.393 > 1.973$) or the value (Sig.) $0.000 < 0.05$. This means that product quality significantly affects cement purchasing decisions at PT Semen Baturaja (Persero), Tbk. This proves that the second hypothesis on the product quality variable has a positive and significant effect and can be accepted.

Discussion of Results

The effect of digital marketing on cement purchase decisions at PT. Semen Baturaja (Persero), Tbk

Digital marketing has a positive and significant effect on purchasing decisions (Leal et al., 2014; Azzadina et al., 2012). The results of this study show that digital marketing is associated with several indicators such as website engine optimization finding, advertising-based click search paid (PPC advertising), marketing affiliates and partnerships s specific strategic (affiliate marketing and strategic partnership), an association community online, social network, email marketing, download customer relationship management. Indicators help Semen Balfour search on the website can be accessed quickly showed the lowest value. It is suspected that users still feel obstacles in using the website, especially in conducting searches on the website. On the indicator, Semen Baturaja products marketed through social media such as Instagram show the highest score. This is shown that the marketing carried out by PT Semen Baturaja (Persero), Tbk through social media is easier to attract potential consumers to make purchases, especially coupled with the number of millennials and the rapid development of technology which shows that more and more people are using social media in their daily lives. Days that can make promotions more efficient in today's digital era.

The effect of product quality on cement purchase decisions at PT Semen Baturaja (Persero), Tbk

Product quality has a positive and significant effect on purchasing decisions (Auger et al., 2010; Demirtas & Ustun, 2009; Gama et al., 2018). These results indicate the quality of the products linked to some indicators such as performance, visibility (features), reliability, and durability. In the attractive packaging indicator, Semen Baturaja products show the lowest value. This shows that the attractiveness of packing of Baturaja cement products does not affect consumers in making purchases. This also shows that consumers are more concerned with the quality of the resulting product than the attractiveness of product packaging. Meanwhile, the product indicators produced by Semen Baturaja have good quality indicating the highest value. This shows that consumers are more interested in making purchases because the products produced by Semen Baturaja have good product quality and can compete with other cement producer competitors (Chao, 1998; Insch & McBride, 2004; Hallak, 2006).

Conclusion

Based on the results of research and analysis that have been carried out, the following conclusions can be drawn: digital marketing and product quality have a positive and significant impact on cement purchasing decisions at PT Semen Baturaja (Persero) Tbk.

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