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The Role of Digital Personal Selling and Product Innovation with Brand Knowledge as a Mediating Variable in the Decision to Buy a Car from the Honda Brand in Serang City

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ABSTRACT

	ADSTRACT		
	The purpose of this research is to analyze the role of digital personal		
	selling and product innovation with brand knowledge as a mediating		
	variable in the decision to buy a car from the Honda brand in Serang		
	City. This study uses a quantitative approach. In this study, the group		
	analyzed consisted of customers who had previous knowledge or		
	experience of buying Honda cars in Serang City. 225 people ultimately		
ARTICLE INFO	participated in the study, meaning that their responses were used as a		
Article history:	sample. Methods of data analysis using descriptive statistics and		
Received	inferential statistics. The results of the study show that digital personal		
20 January 2023	selling has a significant effect on brand knowledge from the Honda		
Revised	brand in Serang City. Digital personal selling has a significant effect on		
10 February 2023	the decision n to buy a car from the Honda brand in Serang City.		
Accepted	Product innovation has a significant effect on brand knowledge from		
24 February 2023	the Honda brand in Serang City. Product innovation has a significant		
	effect on the decision to buy a car from the Honda brand in Serang		
	City. Brand knowledge has a significant effect on the decision to buy a		
	car from the Honda brand in Serang City. Digital personal selling has a		
	significant effect on the decision to buy a car through mediation of		
	brand knowledge from the Honda brand in Serang City. Product		
	innovation has a significant effect on the decision to buy a car through		
	mediation of brand knowledge from the Honda brand in Serang City.		
Keywords	Digital Personal Selling, Product Innovation, Brand Knowledge, Decision to		
-	Buy, Car		
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INTRODUCTION

The level of competition in the business world in the current era of digital technology is getting tougher and more difficult, including in the automotive world where every organization is always trying to reach new clients and develop their market share strict. In the commercial realm, the greater the number of competitors, the more choices consumers have for selecting products that meet their needs. Competition or the large number of market players offering various product advantages will make it increasingly difficult for business actors to get new customers, let alone expand their customer base.

In addition, business people must be able to adapt to customers, because they are the ones who play a role in marketing, which implies that the choice of purchase is in their hands. The decision to use the product is the same as the decision to acquire it. According to Kotler and Keller (2012), purchasing decisions are a problem-solving process including analysis or recognition of needs and preferences. When a customer decides to acquire a product, including motor vehicles such as a car, the same principles of informationgathering, source evaluation, purchase-choice, and post-purchase behavior apply.

One of the world's automotive companies in Indonesia is Honda. When customers decide to acquire a product, including motorized vehicles such as cars, the same principles of information-gathering, source evaluation, purchasechoice, and post-purchase behavior apply. In 2003, after building a factory in Karawang, PT. Honda Prospect Motor (HPM) started producing its first car. Honda cars have become the most popular choice in Indonesia, but over the past five years, sales have been stagnant or even declining.

From car sales data in Indonesia for the last five years, Honda car sales have continued to fall each year with market share also declining. Only in 2021 will Honda car sales increase, although they cannot match sales in 2017.

In addition to the factor of competition between automotive companies in Indonesia and the emergence of new products with innovations desired by consumers, the development of information technology also plays an important role in the marketing aspect of product introduction can only with conventional systems but also must be balanced with digital.

Like other provincial capitals, Serang City is also a city that is growing quite rapidly. This is marked by the increasing number of vehicles that crowd Serang City. Under these conditions, the Sole Agents of car brand holders will continue to explore the potential of the city, just like other provincial capitals, Serang City is one of the cities experiencing significant growth. The increasing number of motorized vehicles that crowd Serang City is proof of this.

Under these conditions, Single Agent Brand Holders will continue to explore the sales potential of Serang City. Each Single Agent Brand Holders competes for the largest market share. For this reason, each Single Agent Brand Holders provides a unique service to its clients so that prospective buyers can find out the advantages of the goods promoted by each Single Agent Brand Holders, including Honda cars. Banten opened a Honda Auto dealership in Serang City on August 26 2014. This dealership is the ninth in the central Honda area of Bandung that has integrated sales, service and spare parts facilities according to Honda specifications. Honda Auto Serang City Dealer is the one hundred and ninth Honda dealer in Indonesia. As one of the newly formed authorized dealers, Honda Auto Serang City Dealer has experienced ups and downs in car sales.

One of the marketing or promotional strategies undertaken by Honda's management to introduce and attract consumers to buy Honda cars is digital personal selling. Personal selling that is done digitally is a kind of two-way communication in which the salesperson helps and/or persuades consumers to buy the company's goods or services (Sukmana and Japarianto, 2015). Not all goods can be introduced to customers effectively through marketing communications in the form of advertising, sales promotions, publicity, events and other marketing communication channels. Digital personal selling is basically a general term that covers every aspect that is carried out by salespeople in the sales process that is carried out digitally, which includes elements that include consumer outreach, sales empowerment or other sales activities that are supported by digital media such as email, social media, as well as online reviews and testimonials (Fuchs, 2022).

The purpose of this research is to analyze the role of digital personal selling and product innovation with brand knowledge as a mediating variable in the decision to buy a car from the Honda brand in Serang City.

RESEARCH METHODE

This study uses a quantitative approach. The quantitative approach is the product of collaboration between the Marburg school and the positivism school of philosophy, which resulted in the formation of the Marburg school. Quantitative research is a method of scientific inquiry that focuses not only on events and their constituent elements, but also on the relationships between their constituent parts (Octiva et al., 2018; Pandiangan, 2018; Pandiangan, 2022). This research method uses an explanatory survey method where the research is conducted to take a generalization from observations that are not in-depth, but the generalizations made can be more accurate if a representative sample is used (Asyraini et al., 2022; Octiva, 2018; Pandiangan, 2015; Sutagana et al., 2022).

The population is a generalization area consisting of things or people who have certain characteristics and characteristics set by the researcher to be studied and then conclusions are formed. This population can be divided into subpopulations. These qualities and characteristics can be determined by researchers (Jibril et al., 2022; Pandiangan et al., 2018; Pandiangan, 2022). In this study, the group analyzed consisted of customers who had previous knowledge or experience of buying Honda cars in Serang City. The number of samples used in this study was adjusted to suit the type of analysis carried out, namely the structural equation model (SEM). When using the SEM method, the number of samples to be collected is between five and ten times the total number of dimensions to be determined. Because there are 45 indicators in this study, the sample size must be a minimum of 45 times 5, or 225 samples, and a minimum of 45 times 10, or a maximum of 450 samples. During the SEM model validation process, the research sample is modified according to the criteria, specifically the maximum likelihood estimation approach, which recommends a sample size in the range of 100 to 200 samples as optimal. 225 people ultimately participated in the study, meaning that their responses were used as a sample.

Methods of data analysis using descriptive statistics and inferential statistics. Descriptive statistics, one can produce a summary or description of the data set in question. The purpose of this kind of analysis is to provide information about the distribution, including the mean, standard deviation, variance, maximum, minimum, sum, range, kurtosis, and slope of the distribution (Octiva et al., 2021; Pandiangan et al., 2021; Pandia et al., 2018). Inferential statistics using SEM, is a technique used to compensate for the limitations of the regression approach (Pandiangan et al., 2022; Tobing et al., 2018; Sudirman et al., 2023).

RESULT AND DISCUSSION

Overview of Respondents

Data collection in this study is carried out by distributing questionnaires to consumers who had experience buying Honda cars in Serang City. Recollection of the questionnaire is carried out in stages depending on the willingness of the respondents to fill out the questionnaire.

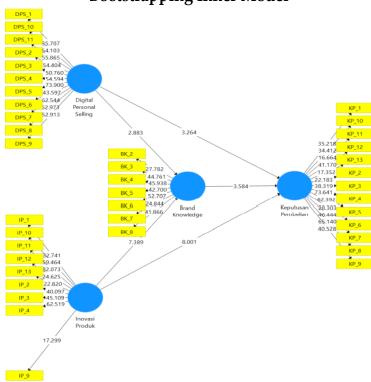
Furthermore, the data is grouped based on age, gender, occupation, and last level of education.

Respondents with the highest number of years of experience are those in the age range of 30 to 40 years, with a total of 77 respondents or 34.22% of the total.

There are a total of 131 male respondents, which constituted 58.22% of the sample. This shows that the male respondents constituted the majority of the sample. Most of the people who participated in this study had at least a bachelor's degree. This is 40% of the entire sample. Respondents with positions as private workers constituted the largest proportion of the total respondents, which amounted to 39.11% of the total, with a total of 88 respondents.

Path Coefficient

In SmartPLS, testing of each relationship is carried out using a simulation with the bootstrapping method on the sample. This test aims to minimize the problem of abnormal research data (Pandiangan et al., 2022; Tobing et al., 2018; Sudirman et al., 2023). The test results with the bootstrapping method using the SmartPLS software are as follows:



Picture 1. Bootstrapping Inner Model

	Original Sample (O)	T Statistics (O/STDEV)	P Value s
Digital Personal Selling->Brand Knowledge	0.254	2.999	0.003
Product Innovation->Brand Knowledge	0.569	7.676	0.000

Table 1.Path Coefficients Sub-Structure 1

Table 2.		
Path Coeffients Sub-Structure 2		

	Original Sample (O)	T Statistics (O/STDEV)	P Values
Brand Knowledge->Decision to Buy	0.204	3.797	0.000
Digital Personal Selling->Decision to Buy	0.211	3.376	0.001
Product Innovation->Decision to Buy	0.542	8.011	0.000

Table 3. Path Coefficients

T util Coefficients			
	Original Sample (O)	T Statistics (O/STDEV)	P Values
Brand Knowledge->Decision to Buy	0.197	3.584	0.000
Digital Personal Selling->Brand Knowledge	0.255	2.883	0.004
Digital Personal Selling->Decision to Buy	0.212	3.264	0.001
Product Innovation->Brand Knowledge	0.566	7.389	0.000
Product Innovation->Decision to Buy	0.546	8.001	0.000

	Origina 1 Sample (O)	T Statistics (O/STDEV)	P Values
Digital Personal Selling->Brand Knowledge ->Decision to Buy	0.050	2.218	0.027
Product Innovation->Brand Knowledge ->Decision to Buy	0.112	3.199	0.001

Table 4. Specific Indirect Effect

The results of the study show that digital personal selling has a significant effect on brand knowledge from the Honda brand in Serang City. Digital personal selling has a significant effect on the decision n to buy a car from the Honda brand in Serang City. Product innovation has a significant effect on brand knowledge from the Honda brand in Serang City. Product innovation has a significant effect on the decision to buy a car from the Honda brand in Serang City. Brand knowledge has a significant effect on the decision to buy a car from the Honda brand in Serang City. Digital personal selling has a significant effect on the decision to buy a car through mediation of brand knowledge from the Honda brand in Serang City. Product innovation has a significant effect on the decision to buy a car through mediation of brand knowledge from the Honda brand in Serang City. Product innovation has a significant effect on the decision to buy a car through mediation of brand knowledge from the Honda brand in Serang City. Product innovation has a significant effect on the decision to buy a car through mediation of brand knowledge from the Honda brand in Serang City.

CONCLUSION

The results of the study show that digital personal selling has a significant effect on brand knowledge from the Honda brand in Serang City. Digital personal selling has a significant effect on the decision n to buy a car from the Honda brand in Serang City. Product innovation has a significant effect on brand knowledge from the Honda brand in Serang City. Product innovation has a significant effect on the decision to buy a car from the Honda brand in Serang City. Brand knowledge has a significant effect on the decision to buy a car from the Honda brand in Serang City. Digital personal selling has a significant effect on the decision to buy a car through mediation of brand knowledge from the Honda brand in Serang City. Product innovation has a significant effect on the decision to buy a car through mediation of brand knowledge from the Honda brand in Serang City. Product innovation has a significant effect on the decision to buy a car through mediation of brand knowledge from the Honda brand in Serang City. Product innovation has a significant effect on the decision to buy a car through mediation of brand knowledge from the Honda brand in Serang City. The researcher is in a position to provide guidance to educators, school administrators, and other researchers based on the research findings and conclusions that have been offered as a consequence of the research. The researcher has the ability to make the following recommendations:

- 1. For marketers or salespeople, the use of information technology, in this case digital media, can help reach potential buyers faster and wider than conventional methods, with direct interactions that are not limited by space and time, enabling marketers to be able to carry out all sales activities expected to increase the level of sales.
- 2. For Honda Auto Serang City Dealer management, it can encourage salespeople or marketers to use information technology and digital media in the process of promotional activities and to market products. To support this, management can facilitate the needs of marketers both in terms of the tools needed and in the form of training. In addition to this, continuous and consistent product innovation can help potential buyers increase brand knowledge of the products produced so that when they are about to make a decision to buy, consumers do not hesitate to choose the product.
- 3. For future researchers, for future research on the same topic, variable measuring instruments in research should not use self-assessment questions, so that the results are likely to be better, valid and reliable, and the object of research must be expanded to include not only Serang City, but also other regions, as well as adding other variables that may affect purchasing decisions, such as promotions, prices, and other suggested variables.

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