

CHAPTER I

INTRODUCTION

1.1 Background of the Study

As one of the most important sectors in the country's economy, the food and beverage (F&B) industry makes a significant contribution to economic growth, job creation and the development of a culinary culture. One of the main factors behind the positive performance of the F&B industry in Indonesia is population growth and an increase in people's purchasing power. With a large population and rising average incomes, demand for food and drink continues to grow. This is encouraging industry players to continue to innovate to create attractive, quality products that meet consumer tastes.

The food and beverage industry is one of the key sectors, according to the Ministry of Industry of Indonesia (2019), contributing significantly to national economic growth. Currently, the industry's development in Indonesia is starting to recover, as indicated by an increase in Gross Domestic Product (GDP) in the food and beverage sector by 2.54% from 2020 to 2021, after experiencing fluctuations during the 2018-2020 period. The Ministry of Industry reported that the performance of the food and beverage industry grew by an average of 8.16% between 2015 and 2019, surpassing the average growth of the non-oil and gas manufacturing industry, which was 4.69%. Despite the impact of the pandemic, which caused a contraction of 2.52% in non-oil and gas manufacturing growth in the fourth quarter of 2020, the food and beverage industry still managed to grow by

1.58% in 2020. Additionally, this sector plays an important role in non-oil and gas manufacturing exports. According to Nasution et al. (2023), during the January-December 2020 period, the total export value of the food and beverage industry reached USD 31.17 billion, contributing 23.78% to the total non-oil and gas manufacturing exports of USD 131.05 billion.

According to Hedwika (2021), purchase decision involves a sequence of choices formed by the consumer before purchasing a product, which begins when the customer is ready to satisfy a need. Purchase decisions are the actions taken by consumers to buy or not buy a product. According to Anderson et al. (2020), several factors play a role in influencing their behaviour to buy a product or service. Consumers consistently consider quality, price and best-known products. Before making a purchase decision, they usually go through several stages, including problem recognition, information search, evaluation of alternatives, final decision and post-purchase behaviour.

According to Rozi et al. (2021), Service quality is an action offered by one party to another which is basically intangible and causes ownership of something. In this case, consumers tend to choose companies that can provide good quality in terms of service. In any business, service quality determine the purchase decision. According to Meithiana (2019), a quality is said to be good if the service provider provides services that are equivalent to those expected by customers. It can be concluded that service quality basically centres on efforts to meet the needs and desires of customers and the accuracy of their delivery to balance customer expectations.

When service quality is high, customers are more likely to choose the service provider. This is because quality service boosts consumer confidence, lowers perceived risk, and improves the service's overall value proposition. According to Li and Qi (2022), service quality has a direct and positive impact on purchase decisions because customers who perceive a high-quality service are more likely to choose it over others. Furthermore, in a competitive market, superior service quality can act as a differentiator, prompting customers to choose one brand over another. According to Lai (2019), this is because consumers are more likely to buy from a brand that they associate with high service quality, which often means better value, greater dependability, and a higher likelihood of a positive experience. This relationship is especially strong in industries where trust and dependability are essential.

According to Chen et al (2015) as cited in Irfan et al. (2021), one of the supports in purchase decision is the Sales promotion strategy. In the words of Alvarez et al. (2005) as cited in Sinambela (2021), sales promotion itself is a vital tool in helping companies achieve sales targets and increase company profits. With the marketer's target achieved, a company can continue its survival. Promotion is an element of the mix that focuses on efforts to inform, persuade and remind consumers of the company's brands and products. So with a promotion, products that were initially unsold, will quickly sell out.

Sales promotions are short-term incentives designed to encourage immediate purchases and can have a significant impact on purchasing decisions. These promotions can create a sense of urgency and perceived value, causing

consumers to prefer a promoted brand over others. Dangi et al. (2020) found that effective sales promotions can increase customer traffic and stimulate purchasing behavior, particularly when consumers perceive the promotion to be good value for money.

According to Bernato et al. (2020), brand awareness is related to the strength of brand information that allows marketers to measure consumers' ability to identify brands in various conditions. Brand awareness is an asset affecting perceptions, likes, and even consumer behavior. It can bring impacts to purchase decisions about brands which at the end will enhance loyalty. According to Eslami (2024), brand awareness means the buyer's ability to identify or recall a brand on a particular product category. Awareness can affect people's perceptions and attitudes, lead to brand selection.

Brand awareness refers to how familiar consumers are with a brand and its products, and it serves as the foundation for brand equity. Customers who are familiar with a brand are more likely to think about it when making a purchase decision. Brand awareness can reduce the perceived risk of purchasing a product because consumers trust well-known brands more. According to Nasar et al. (2019), high brand awareness frequently results in a higher likelihood of selection during the purchasing process, as familiarity breeds preference.

As one of the Consumer Good companies located in North Sumatra, PT Sari Kebun Alam, which has been operating since 2014. The company develops in the field of cup drinks of various flavors that are sold through retailer stores. The market area for this company's products includes Medan, Deli Serdang, Pematang

Siantar, Rantau Perapat; as well as outside North Sumatra including Padang, Jambi, Palembang.

The following figure illustrates sales trends from 2019 to 2023.

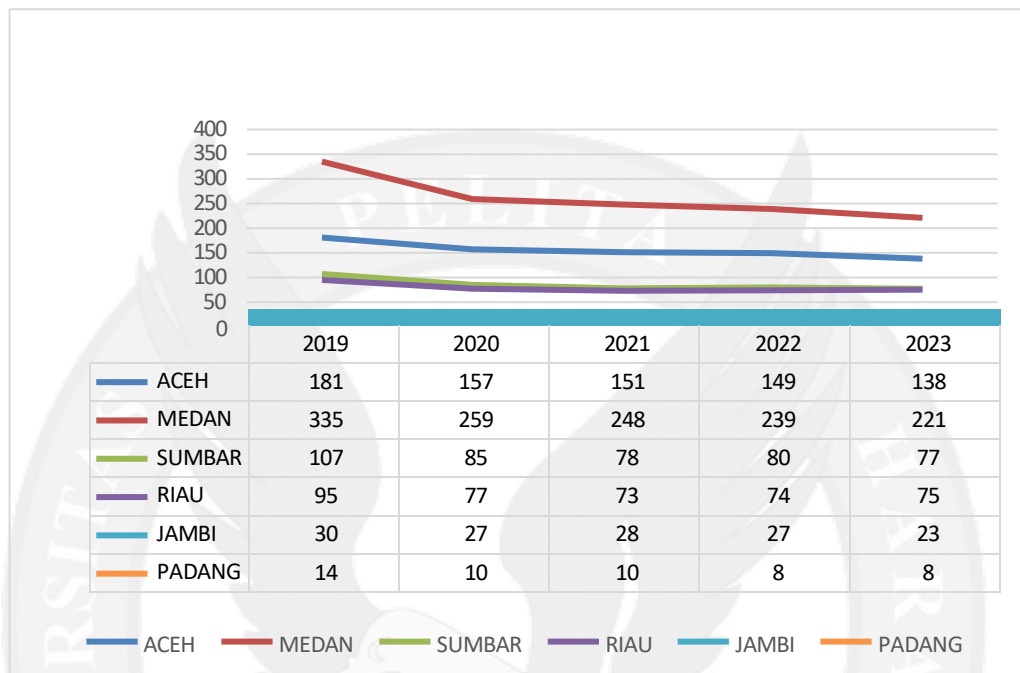


Figure 1.1 Number of Customers of PT Sari Kebun Alam from 2015 to 2023

Source : Prepared by the writer (PT Sari Kebun Alam, 2024)

For the purchase decision, it can be seen that from Figure 1.1, in the past 2 years, PT Sari Kebun Alam has still not been able to restore monthly sales as much as in 2019.

The figure presents a summary of the number of stores (customers) served by PT Sari Kebun Alam across different regions from 2019 to 2023. From 2019 to 2023, the data shows a declining trend in the number of stores across most regions. The number of stores in Aceh decreased consistently from 181 in 2019 to 138 in 2023. This suggests a gradual reduction in the retail presence, possibly due to economic challenges or changes in market demand. Medan experienced a

significant drop in the number of stores, from 385 in 2019 to 221 in 2023. In West Sumatra, the number of stores also declined, from 107 in 2019 to 78 in 2023. The region of Riau saw a reduction in the number of stores from 95 in 2019 to 75 in 2023. Although the decline is not as steep as in Medan, it still represents a contraction in the retail sector. In Jambi, the number of stores decreased from 32 in 2019 to 23 in 2023. This drop, though moderate, indicates challenges in maintaining retail outlets in the region, which could be due to market saturation or other local factors. Padang had a relatively small number of stores, and this number remained fairly stable, with a slight decrease from 14 in 2019 to 8 in 2023. The minimal fluctuation might suggest a stable but limited market with little room for growth or expansion.

The data indicates a general decline in the number of stores across most regions, with Medan and Aceh experiencing the most significant decrease. This could reflect challenges in market retention or shifts in the company's customer base. The trends observed in this figure align with the downward trajectory in sales observed in the previous table, suggesting that the decline in customer base may be contributing to the reduced sales figures for PT Sari Kebun Alam.

The following table below presents the gross sales of PT Sari Kebun Alam from 2019 to 2023.

Table 1.1 Sales of PT Sari Kebun Alam from 2019 to 2023

Month	2019	2020	2021	2022	2023
January	1.472.078.050	1.339.190.640	1.161.218.480	1.007.120.486	980.500.317
February	1.480.195.683	1.358.014.601	1.043.013.062	1.027.631.400	858.548.795
March	1.388.910.461	1.406.013.450	1.125.012.461	1.041.014.809	922.864.392
April	1.464.103.716	1.371.102.461	1.420.915.407	1.036.091.048	998.061.052
May	1.506.055.105	1.375.135.061	1.348.642.800	1.068.861.499	935.925.326
June	1.582.912.827	292.240.214	1.204.136.810	1.090.675.134	1.012.871.030
July	1.590.124.679	586.148.806	1.221.812.350	1.106.014.054	1.079.201.110
August	1.313.018.711	796.198.400	1.179.532.780	1.130.140.616	1.006.139.540
September	1.256.191.486	892.313.051	1.246.905.009	1.085.109.461	967.017.594
October	1.283.316.589	1.010.107.002	1.297.975.000	1.190.081.508	1.050.895.368
November	1.165.327.007	1.210.987.604	1.153.892.613	1.208.060.013	1.197.588.738
December	1.271.465.789	1.288.012.461	1.241.131.240	1.212.009.768	1.169.909.980
Total	16.773.700.103	12.925.463.751	14.644.188.012	13.202.809.796	12.179.523.242

Source : Prepared by the writer (PT Sari Kebun Alam, 2024)

The table presents the gross sales of PT Sari Kebun Alam from 2019 to 2023, categorized by month. The data reflects a general downward trend in sales over these years. In 2019, the company achieved its highest annual gross sales, totaling IDR 16,773,700,103. However, sales began to decline significantly in 2020, dropping to IDR 12,925,463,751, due to the impacts of the COVID-19 pandemic. This trend continued in 2021, although there was a slight recovery with sales reaching IDR 14,644,188,012, but still below pre-pandemic levels. The year 2022 saw another decline in sales, totaling IDR 13,202,809,796. The downward trend persisted into 2023, with the total sales dropping further to IDR 12,179,523,242. Monthly sales figures in 2023 are consistently lower compared to previous years, with significant declines in February, March, and October. This table indicates that PT Sari Kebun Alam has faced ongoing challenges in maintaining its sales levels over the past five years, with the most recent year showing the lowest total sales.

In PT Sari Kebun Alam, the management provides SOPs for salesmen who deal directly with customers. Salesmen who are assigned to offer products or collect debts must not cross certain boundaries, and must still be able to win the hearts of customers. For example, when one of the loyal customers has a misfortune, the salesman can submit a proposal for assistance to be given to the customer through the management, and also if a family member of the customer is getting married, the management will give a flower board.

Unfortunately, during October 2023, there were a salesmen who did not follow the SOP, even harming customers by taking away the proceeds from the collection of bills. This problem can happen at any time. The problem is known to start from sales often cannot be contacted and there is no product delivery by sales even though payment has been made. With the customer's money being taken away by the sales, the customer's trust in the company has been destroyed. After this incident, 6 of the 12 stores who has been affected by the loss no longer take goods from SKA. Even though 3 of these customers are large customers who order the most goods. The company's sales fell by 52 million in the month of the incident. The impact on purchase decision is poor service quality can lead to customer dissatisfaction, damaging the company's reputation and discouraging repeat purchases.

Table 1.2 Evaluation of Service Quality for PT Sari Kebun Alam

Indicator	Evaluation
Reliability	There was no delivery to customers although the payment has been made.
Responsiveness	Customers could only order and ask enquiry through salesman, therefore when customer are being scammed, they didn't know how to get help. This fraud case was discovered after the supervisor was suspicious why he had not received cash from the store. After investigating and visiting the store, it turned out that the salesman had received the money but did not deposit it to the cashier.
Assurance	Everything depend on the salesman who handled the customer directly therefore assurance is also severely affected by this salesmen's actions.
Empathy	When one of the loyal customers has a misfortune, the salesman can submit a proposal for assistance to be given to the store through the management, and also if a family member of the customer is getting married, the management will give a flower board.
Tangible	Customers form opinions about the company based on aspect like whether the company has effective facilities or networks to offer in-time order deliveries to any customers and whether the company has enough facilities to afford any sizes of orders from customers.

Source : Prepared by the writer (2024)

This table presents the evaluation of indicators, utilizing data collected through information supplied by the PT Sari Kebun Alam.

As in for the company, the reliability of the company is compromised when salesmen do not follow through with the promised services, such as delivering products to customer after payments are made. This failure to provide the promised service accurately and satisfactorily undermines trust.

Responsiveness, the lack of responsiveness is evident when the salesmen cannot be contacted and fail to address customer concerns promptly. This unwillingness or inability to help customers damages the company's reputation and customer satisfaction.

Assurance is also severely affected by the salesmen's actions. Customers expect competence, knowledge, and trustworthiness from the staff. When the salesman engage in fraudulent activities, it creates a sense of danger, risk, and

doubt, making customers feel unsafe and uncertain about doing business with PT SKA.

Empathy is also damaged because the salesmen's actions show a lack of personal attention and understanding of the customers' needs. Good communication and a strong relationship with customers are crucial, and this incident demonstrates a significant lapse in these areas.

Last but not least is Tangibles, consumers assess a business based on things like the presence of effective networks or facilities that guarantee on-time order delivery and the company's capacity to manage orders of different quantities with sufficient resources.

Almost all consumer show the same behavior, namely if there is a promotion, then they will buy it. So with that, the company management must be able to weigh the production costs, so that it can provide the right promotion for consumers.

PT Sari Kebun Alam holds periodic promotions, namely giving cashback to loyal customers, namely retailer shops if they take a specified amount. This is quite helpful in increasing company sales. However, there is a problem in the promotional aspect. According to PT Sari Kebun Alam (2024), Cashback promotion is money rewards for ordering products in large quantities. The cashback will be given once in three months if they achieved the target of minimum 75 cartons. The problem is that this cashback is not evenly distributed throughout the distribution area. In the Aceh region some get cashback and some don't, as well as

in North Sumatra some get cashback and some don't, one of them is Sibolga. The same applies to Tapanuli.

As a result, as many as 11 shops in Meulaboh & Bireun area grocery stores in 2023 decided to order through to several stores in Langsa in order to get cashback. So that eventually there was a commotion between the shops because they seize the other's orders which are not theirs. According to the results of sales reports working in the area, approximately 5 stores who were involved in the commotion with the Langsa area terminated their cooperation with PT Sari Kebun Alam at the end of 2023. The impact is ineffective sales promotions can result in missed opportunities to attract new customers and retain existing ones.

Table 1.3 Evaluation of Sales Promotion for PT Sari Kebun Alam

Indicator	Evaluation
Promotion Frequency	PT Sari Kebun Alam relies solely on cashback promotion.
Promotion Quality	The uneven distribution of the cashback diminishes the perceived quality of the promotion and leads to customer distrust and dissatisfaction.
Quantity of Promotion	The amount or value of cashback offered are not consistent and fair across all regions.
Promotion Time	PT Sari Kebun Alam holds cashback promotion once in every 3 months.

Source : Prepared by the writer (2024)

Table 1.3 showcases the evaluation of indicators, based primarily on PT Sari Kebun Alam's provided data.

For the promotion frequency, PT Sari Kebun Alam only has one type of promotion that is cashback promotion.

Promotion quality, the quality of the promotion is crucial. In this case, while the promotion itself (cashback for large orders) is a good strategy, its execution is flawed. The uneven distribution of the cashback diminishes the perceived quality of the promotion. Poor promotion quality can reduce customer

loyalty and discourage repeat purchases. Customers who believe that promotions are unfair or unreliable may switch to competitors, affecting overall sales.

Quantity of promotion, The amount or value of cashback offered should be consistent and fair across all regions. The problem is that not all areas receive the same promotional benefits, leading to complaints and a sense of unfair treatment among customers in regions such as Aceh and North Sumatra.

The promotion time of the cashback promotion is every 3 months. The duration of the promotions needs to be restudied again by the management considering that if the duration is too long, customer will not be motivated enough to place larger order in short period of time.

Last but not least, as for the Accuracy or suitability of promotional objectives, the idea behind offering cashback is to encourage big orders and reward loyal customers. But it's not working as well as it could because the cashback isn't distributed fairly. This is causing some shops to feel left out, even though they've ordered in large quantities, which is leading to problems and loss of trust, as we've seen in shops in the Meulaboh & Bireun area. This lack of uniformity not only causes dissatisfaction, but also undermines the promotion's credibility. To achieve promotional objectives, cashback distribution must be accurate and fair, ensuring all customers feel valued and equally rewarded for their loyalty and purchases.

The following table cover the brand's sales percentage of PT Sari Kebun Alam in 2023.

Table 1.4 Brand's Sales Percentage of PT Sari Kebun Alam 2023

Products	Outside of Medan	Medan	Total	Percentage
AR	14.985	15.390	30.375	1,74%
NK	60.567	62.710	123.277	7,05%
MA	14.750	14.940	29.690	1,70%
RY	15.933	13.175	29.108	1,66%
EK	16.178	16.410	32.588	1,86%
IH	62.082	41.926	104.008	5,95%
XT	677.304	568.101	1.245.405	71,20%
OE	73.323	52.189	125.512	7,18%
YT	14.831	14.271	29.102	1,66%
	949.953	799.112	1.749.065	

Source : Prepared by the writer (PT Sari Kebun Alam, 2024)

As shown on Table 1.3, the table is divided into two main locations: sales outside of Medan and sales in Medan. It provides detailed sales data across various brands identified by abbreviations (AR, NK, MA, RY, EK, IH, XT, OE, YT).

Outside of Medan, the total sales amount to 949,953 units, with the highest sales seen in brand X-teh (677,304 units), making up 71.20% of the total sales in that region. Other brands have significantly lower percentages. While in Medan, the total sales amount to 799,112 units, with the brand X-teh again leading with 568,101 units, representing 71.18% of the total sales in Medan. Combining both locations, the total sales reach 1,749,065 units. Brand X-teh dominates the overall sales with 1,245,405 units, accounting for 71.20% of the total. Other brands contribute to a smaller share, with percentages ranging from 1.70% (MA) to 7.05% (NK). This data highlights the significant dominance of brand X-teh in both Medan and outside of Medan, representing the largest share of sales for PT Sari Kebun Alam in 2023.

However, PT SKA has difficulty competing especially in a crowded market with competitors who have a stronger presence, especially when they only

market their product through telephone and salesman which make it more difficult for them to reach a larger audience and increase brand recognition.

By the salesman's observation while promoting our products, in early 2024, after visiting 20 new stores to be introduced to the product by sales, most of the retailer stores were not aware of the X-teh brand on the market. Some of them are large retailer stores while the others remaining are small stores scattered on the street in Aceh. Even when they were introduced to X-teh products, they did not take much because of the consumers' lack of interest in consuming products that they did not know about. At the time of this research, there was no new policy from the company to introduce the product to the wider community. And it can be seen on Table 1.1, Brand X-teh dominates in sales at the company, with a percentage of 71.20%, while the others are only around 1.7% to 2%. The impact of low brand awareness means potential customers are not familiar with the X-the brand, reducing the likelihood of it being considered during the purchase decision.

Table 1.5 provides an evaluation of the indicators, with the data predominantly derived from PT Sari Kebun Alam.

Table 1.5 Evaluation of Brand Awareness for PT Sari Kebun Alam

Indicators	Evaluation
Product Recognition	Lack of product recognition as PT Sari Kebun Alam didn't advertise their product beside using salesman and telephone
Brand Recognition	The restricted marketing activities, which entail phone and sales personnel, have resulted in a lack of brand recognition.
Top of Mind awareness	PT Sari Kebun Alam's brand is not the first to come to mind when customers think of beverage products due to limited promotional activities.
Brand Familiarity	The lack of familiarity with the X-teh brand among stores indicates that the brand is not well-known.
Brand Recall	The absence of strong and memorable advertising campaigns has resulted in poor brand recall among consumers.
Logo/Symbol Recognition	Due to inadequate branding efforts, the company's logo or symbol is not easily recognized by customers, which further weakens brand presence in the market.

Source : Prepared by the writer (2024)

PT Sari Kebun Alam has a significant lack of product recognition. The company's reliance on salespeople and phone calls to promote its products has severely limited its market reach. In today's competitive market, such traditional methods are insufficient to raise general awareness. The lack of digital marketing strategies, a social media presence, and other modern advertising channels has kept a large potential audience unaware of the product's existence.

As for the Brand Recognition, the limited marketing activities, which rely heavily on personal selling and phone calls, have failed to establish a strong brand presence. Without a diverse marketing strategy, such as online campaigns, print media, and public relations activities, the brand remains unknown. Furthermore, a lack of engagement with customers through various touchpoints such as websites, social media, and in-store promotions has prevented the brand from establishing itself in the minds of consumers. This leads to low brand recall and poor purchasing decisions.

When consumers think of beverage products, the brand PT Sari Kebun Alam does not come to mind immediately. This lack of "Top of Mind Awareness" is the direct result of ineffective marketing and promotion. The brand's competitors are likely to use more aggressive advertising, ensuring that they are the first brands that customers think of. Without consistent and memorable marketing efforts, such as jingles, slogans, or impactful visual ads, PT Sari Kebun Alam's brand fails to leave a lasting impression, causing customers to choose more familiar brands when making purchases.

The X-teh brand's limited exposure in the market has resulted in a low level of brand familiarity, particularly among retailer stores that play an important role in product distribution. Retailer stores are frequently the gateway to greater market penetration, but without consistent and widespread marketing efforts, these stores are unlikely to recommend or stock the brand. The brand's presence is so low that even industry professionals may not recognize it, impeding the brand's ability to grow and establish a strong foothold in the market.

The brand's recall rate among consumers is alarmingly low due to a lack of strong, memorable, and repeated advertising campaigns. In a market flooded with beverage options, brands must constantly reinforce their identity. PT Sari Kebun Alam's failure to engage in mass media advertising or digital marketing has made it difficult for customers to recall the brand when they need to make a purchase. Because of its low recall, the brand is frequently overlooked in favor of more visible, well-advertised competitors.

Consumers struggle to recognize the company's logo or symbol, reducing the brand's market presence significantly. A logo is a visual representation of a brand and is an important part of brand identity. Consumers are unable to associate the logo with the brand due to insufficient branding efforts, including inconsistent use of the logo across marketing materials and a lack of visually appealing campaigns that prominently feature the logo. This disconnect hinders purchasing decisions and makes it challenging for the company to stand out in a competitive market.

This preliminary assessment will focus on key indicators of brand awareness, specifically tailored for the salesman in Aceh.

Table 1.6 Pre-Liminary of Salesman on Brand Awareness Indicator in Aceh

No	Indicators	Pre-Liminary	Yes	No
1.	Product Recognition	Can Aceh's potential and existing customer easily identify our products among a selection of competitors' products?	3	6
2.	Brand Recognition	Does Aceh's potential and existing customer recognize our brand name when mentioned?	2	7
3.	Top-of-Mind Awareness	When asked to name drink brands, does Aceh's potential and existing customer mention X-teh brand first?	1	8
4.	Brand Familiarity	Are Aceh's potential and existing customers familiar with X-teh brand name?	4	5
5.	Brand Recall	Does Aceh's potential and existing customers remember / recall X-teh brand?	2	7
6.	Logo/Symbol Recognition	Can Aceh's potential and existing customers easily recognize X-teh brand's logo or symbol?	3	6

Source : Prepared by the writer (PT Sari Kebun Alam, 2024)

$$\text{Average "No" responses} = \frac{6+7+8+5+7+6}{6} = \frac{39}{6} = 6.5$$

The average number of "No" responses is 6.5, indicating that most salesman perceive that customers in Aceh are not very aware of the X-the brand across various indicators.

As for product recognition, salesmen report that X-teh is often overshadowed by more established brands in the market in Aceh. This could be due

to insufficient product visibility or limited promotional efforts to differentiate X-teh from competitors. If X-teh's packaging is too similar to other brands or lacks distinguishing features, customers may find it hard to differentiate the product from others. Clear and unique packaging could be key to making X-teh stand out on the shelves. And without a strong promotional push, new or existing customers may not have enough exposure to X-teh to consider it a viable option. Last but not least, established brands likely have stronger distribution channels and brand loyalty in Aceh. They may have already secured customer trust, making it harder for X-teh to break through and be recognized as a competitive option.

While for brand recognition, customers may not recall X-teh when the brand is mentioned because of weak marketing campaigns in the region. If X-teh has not invested sufficiently in region-specific marketing, it is less likely to be recognized by local customers. Localized marketing campaigns, tailored to Aceh's customer habits, could help bridge the recognition gap. X-teh also has low media presence, while other competitors might have a more aggressive media presence—TV ads, social media, billboards, and radio—leaving X-teh trailing behind. This lack of media exposure can make it difficult for customers to recall the brand when asked.

X-teh may not be the first brand that comes to mind because other brands dominate consumer preferences, possibly due to stronger advertising or long-standing presence in the market. And if consumers do not have a strong emotional connection to X-teh, they are less likely to think of it first. Building brand loyalty

through consistent quality, customer engagement, and strong value propositions can help boost top-of-mind awareness over time.

Customers may not be familiar with X-teh, indicating a need for more aggressive outreach. Salesmen may observe that customer interactions with the brand are rare. X-teh may not have penetrated key market segments in Aceh effectively. Poor distribution, low availability in retail outlets, or lack of presence in popular local stores could lead to fewer opportunities for customers to discover and become familiar with the brand.

X-teh's branding might not be memorable enough for customers to recall it easily. This could involve everything from the logo to the brand's messaging and overall positioning. Brands with clear, strong, and consistent branding tend to have better recall. Salesmen also observe that customers do not fully understand what sets X-teh apart from other brands. Insufficient educational efforts, such as explaining product benefits or unique selling points, can result in low brand familiarity. Brands that evoke emotional responses are easier to recall. If X-teh's advertising or product experience doesn't forge an emotional connection with consumers, it may fail to stay in their memory. Emotional advertising, storytelling, and customer engagement can be powerful tools in improving recall.

X-teh's logo might not be distinctive or unique enough to stand out. Customers may find it difficult to associate the logo with the brand if it resembles those of competitors or lacks visual elements that make it memorable. Salesmen may observe that the logo is not adequately exposed to customers through banners,

signage, or promotional materials. Increased visibility of the logo through various advertising channels can help improve recognition over time.

Based on what was discussed before, the writer wanted to research to see whether service quality, sales promotion and brand awareness influence customer's purchase decision. As a result, the writer conducted a study titled "**The Influence of Service Quality, Sales Promotion, and Brand Awareness on Aceh customer's Purchase Decision at PT Sari Kebun Alam**".

1.2 Problem Limitation

To make this study more focused and data gathering and processing easier, the writer decides that this final paper is limited to service quality (X1), sales promotion (X2), brand awareness (X3) as independent variable and purchase decision (Y) as dependant variable. In addition, the writer would also limit the object of research which is PT Sari Kebun Alam, Medan, located in Jl. Pantai Rantam, Buntu Bedimbar, Kec. Tj. Morawa, Kabupaten Deli Serdang, Sumatera Utara 20362, Indonesia. This study also focuses only on the company's customers located in Aceh.

Indicators of Service Quality (X1) according to Meithiana (2019) is Reliability, Responsiveness, Assurance, Empathy and Tangible. The second independent variable is the Sales Promotion (X2). Indicators of sales promotion according to Aryani et al. (2021) are Promotion frequency, Promotion quality, Quantity of promotion, Promotion time, Accuracy or suitability of promotional objectives. The third independent variable is Brand Awareness (X3). According to

Sesario et al. (2023), Indicators of Brand Awareness are Product recognition, Brand recognition, Top-of-mind awareness, Brand familiarity, Brand recall, and Logo/symbol recognition. The dependant variable of this is Purchase Decision (Y). According to Herawati et al. (2019), Indicators of Purchase decision are Stability of a product, Product buying habits, Providing recommendations to other people, Make repeat purchases, and Product and brand selection.

1.3 Problem Formulation

According to the background of the study, the writer can formulate some research question as follows :

- a. Does service quality have partial influence on Aceh customer's purchase decision at PT Sari Kebun Alam?
- b. Does sales promotion have partial influence on Aceh customer's purchase decision at PT Sari Kebun Alam?
- c. Does brand awareness have partial influence on Aceh customer's purchase decision at PT Sari Kebun Alam?
- d. Do service quality, sales promotion & brand awareness have simultaneous influence on Aceh customer's purchase decision at PT Sari Kebun Alam?

1.4 Objectives of the Research

Based on the problem formulation, the objectives of the research are as :

- a. To analyze whether service quality has partial influence on Aceh customer's purchase decision at PT Sari Kebun Alam.

- b. To describe whether sales promotion has partial influence on Aceh customer's purchase decision at PT Sari Kebun Alam.
- c. To explain whether brand awareness has partial influence on Aceh customer's purchase decision at PT Sari Kebun Alam.
- d. To emphasize whether service quality, sales promotion & brand awareness have a simultaneous influence on Aceh customer's purchase decision at PT Sari Kebun Alam.

1.5 Benefits of the Research

The benefit of this research will be divided into two which are :

1.5.1 Theoretical Benefit

The outcome of this research is supposed to provide a greater understanding of how service quality, sales promotion, and brand awareness will influence purchase decision. They are expected to contribute to the existing theories especially those relevant to service quality, sales promotion, brand awareness, and the influence on purchase decision.

1.5.2 Practical Benefit

The following are the practical benefit of this study :

- a. For the writer

This research is expected to expand the writer's knowledge base and this research could give extra information to the writer.

- b. For PT Sari Kebun Alam

This research is expected to be able to contribute to helping the research object company to increase purchase decision, as well as provide positive things to the company that will ultimately increase customer and sales.

c. For other researchers

This research is supposed to bring new references and information about service quality, sales promotion, brand awareness and how they influence purchase decision.

