

## **CHAPTER II**

### **LITERATURE REVIEW AND HYPOTHESIS**

#### **DEVELOPMENT**

#### **2.1 Theoretical Background**

##### **2.1.1 Marketing**

##### **2.1.1.1 Definition of Marketing**

Marketing is a dynamic and multifaceted discipline that sits at the heart of any thriving business enterprise. At its core, marketing involves a profound understanding of customer needs, wants, and aspirations, coupled with the ability to deliver solutions that exceed their expectations (Kotler & Kartajaya, 2022). It is a strategic process that begins with market research, leading to the creation and delivery of products, services, and experiences that resonate with the target audience (Lamb & Sumarwan, 2022). Marketing extends beyond selling; it encompasses relationship-building, brand management, and the creation of sustainable competitive advantages (Djaslim, 2022).

The Chartered Institute of Marketing (CIM) defines marketing as "the management process responsible for identifying, anticipating, and satisfying customer requirements profitably" (CIM, 2022). This definition underscores the strategic and managerial nature of marketing, highlighting its focus on understanding customer needs and delivering profitable solutions. As noted by Kartajaya (2022), marketing is a critical component of business success, requiring

a deep understanding of customer behavior and the ability to create effective marketing strategies.

Marketing is essential for boosting company growth and profitability in the fast-paced, cutthroat corporate world of today. Effective marketing strategies can help businesses to differentiate themselves from their competitors, build strong relationships with their customers, and create a sustainable competitive advantage (Kotler & Kartajaya, 2022). Moreover, marketing can help businesses to identify new opportunities and threats, and to respond to changes in the market and customer needs (Lamb & Sumarwan, 2022). By leveraging marketing strategies, businesses can generate value for their clients, increase brand recognition, and boost sales and revenue by utilizing marketing methods.

The importance of marketing can be seen in the way it influences customer behavior and purchasing decisions. As noted by Djaslim (2022), marketing can shape customer attitudes, perceptions, and preferences, and can influence the way customers evaluate and choose products and services. Effective marketing strategies can help businesses to build trust and credibility with their customers, and to create a positive brand image (Kartajaya, 2022). Furthermore, marketing can help businesses to create a sense of community and belonging among their customers, which can lead to increased customer loyalty and retention (Lamb & Sumarwan, 2022).

In addition, marketing is crucial in determining how companies engage with their stakeholders and customers in addition to promoting company expansion and profitability. As noted by Kotler & Kartajaya (2022), marketing can help businesses

to build strong relationships with their customers, and to create a sense of mutual understanding and respect. Effective marketing strategies can help businesses to communicate their values and mission to their customers, and to create a sense of shared purpose and identity (Djaslim, 2022). By leveraging marketing strategies, Businesses can establish a solid and long-lasting brand reputation and leave a favorable and enduring impression on their clients by utilizing marketing methods.

#### **2.1.1.2 Marketing Communication**

Marketing communication, often referred to as marcom, is a critical component of the overall marketing strategy (Schultz, 2022). It involves the strategic deployment of various channels and tools to convey a brand's message in a consistent and persuasive manner (Schultz, 2022). The goal of marketing communication is to capture the attention of the target audience, shape their perceptions, and ultimately, influence their behaviour (Schultz, 2022).

In today's digital age, marketing communication channels have expanded beyond traditional media to include online platforms such as websites, social media, and mobile applications (Schultz, 2022). By leveraging integrated marketing communication (IMC) approaches, businesses can deliver seamless and personalized messages across multiple touchpoints, enhancing brand engagement and customer experiences (Schultz, 2022).

### **2.1.1.3 Contemporary Marketing**

Contemporary marketing is characterized by its adaptability, innovation, and customer-centricity (Fill, 2020). It recognizes the empowered consumer, who is digitally savvy and has access to a wealth of information (Fill, 2020). As such, contemporary marketing demands a laser focus on creating personalized experiences, leveraging data analytics, and building strong brand identities that stand out in a crowded and competitive marketplace (Fill, 2020).

Agility and continuous innovation are hallmarks of contemporary marketing (Fill, 2020). Marketers must stay attuned to emerging trends, embrace digital transformation, and harness the power of technology to engage and delight their customers (Fill, 2020). This includes leveraging artificial intelligence, virtual reality, and data-driven insights to create unique and memorable brand experiences (Fill, 2020).

### **2.1.1.4 Marketing Mix**

The marketing mix, also known as the 4Ps (product, price, promotion, and place), is a fundamental concept in marketing that refers to the set of tools and tactics used to promote a product or service (Boone and Kurtz, 2021). The marketing mix is often expanded to include additional elements, such as people, process, and physical evidence, to create a more comprehensive framework for marketing strategy development (Lamb and Sumarwan, 2022). The marketing mix's four components are:

1. **Product:** The goods or services offered by a business to meet the needs of its target market (Lamb and Sumarwan, 2022). This covers the attributes, design, branding, and quality of the product.
2. **Price:** The amount that customers pay for a product or service (Lamb and Sumarwan, 2022). This includes the pricing strategy, discounts, and promotions used to influence customer purchasing decisions.
3. **Promotion:** The strategies used by a company to convince its target market to purchase its goods or services (Lamb and Sumarwan, 2022). Public relations, internet marketing, sales promotions, and advertising are all included in this.
4. **Place:** The channels and methods used to distribute and deliver products or services to customers (Lamb and Sumarwan, 2022). This includes the logistics, transportation, and storage of products, as well as the selection of distribution channels such as retailers, wholesalers, or online platforms.

#### **2.1.1.5 Marketing Strategies**

Marketing strategies refer to the overall plans and approaches used to achieve marketing objectives and drive business success (Kotler and Kartajaya, 2022). Effective marketing strategies involve a deep understanding of customer needs and preferences, as well as the ability to create and deliver value through a range of channels and tactics (Lamb and Sumarwan, 2022). Marketing strategies can be broadly categorized into two types:

1. Push strategies: These involve promoting a product or service through traditional channels such as advertising, sales promotions, and public relations (Kotler and Kartajaya, 2022). The goal of push strategies is to create awareness and drive sales by pushing the product or service to the customer.
2. Pull strategies: These involve creating demand and driving customer engagement through digital channels such as social media, content marketing, and search engine optimization (Kotler and Kartajaya, 2022). The goal of pull strategies is to create a pull effect by attracting customers to the product or service through relevant and valuable content.

Marketing strategies can also be categorized based on the stage of the customer journey, including:

1. Awareness strategies: These involve creating awareness and generating interest in a product or service (Lamb and Sumarwan, 2022).
2. Consideration strategies: These involve providing information and support to customers who are considering a purchase (Lamb and Sumarwan, 2022).
3. Conversion strategies: These involve persuading customers to make a purchase and driving sales (Lamb and Sumarwan, 2022).
4. Retention strategies: These involve building loyalty and retaining customers after a purchase (Lamb and Sumarwan, 2022).

By developing and implementing effective marketing strategies, businesses can drive growth, profitability, and success in today's competitive market (Kotler and Kartajaya, 2022).

## **2.1.2 Sales Promotion**

### **2.1.2.1 Definition of Sales Promotion**

Sales promotion refers to a diverse set of short-term incentives and activities designed to stimulate consumer purchasing behavior and boost sales (Boone & Kurtz, 2021). Sales promotions can be targeted towards consumers directly (consumer promotions) or towards intermediaries such as retailers or wholesalers (trade promotions) (Boone & Kurtz, 2021).

The primary objective of sales promotion is to influence consumer behavior and accelerate the purchasing process (Fill, 2020). This can involve providing incentives such as discounts, rebates, or gifts with purchase, as well as creating exclusive experiences or events that engage and excite consumers (Fill, 2020). Sales promotions are often used strategically to introduce new products, reward loyal customers, or clear excess inventory (Fill, 2020).

### **2.1.2.2 Sales Promotion Objectives**

The primary objectives of sales promotion are to:

1. Increase sales volume and revenue: This is the primary objective of sales promotion and involves using various tactics and incentives to stimulate



consumer purchasing behavior and drive sales (Kotler and Kartajaya, 2022, p. 235).

2. Introduce new products or services: Sales promotion can be used to introduce new products or services to the market, and to create buzz and excitement around a new launch (Djaslim, 2022, p. 124).
3. Clear excess inventory or reduce stock levels: Sales promotion can be used to clear excess inventory or reduce stock levels, and to make room for new products or services (Boone and Kurtz, 2021, p. 157).
4. Build brand awareness and loyalty: Sales promotion can be used to build brand awareness and loyalty, and to establish a strong emotional connection with the target audience (Lamb and Sumarwan, 2022, p. 202).
5. Drive customer engagement and retention: Sales promotion can be used to drive customer engagement and retention, and to encourage customers to make repeat purchases or recommend a product or service to others (Schultz, 2022, p. 189).
6. Increase market share: Sales promotion can be used to increase market share, and to gain a competitive advantage over other businesses in the market (Kotler and Kartajaya, 2022, p. 236).
7. Improve customer satisfaction: Sales promotion can be used to improve customer satisfaction, and to create a positive and memorable experience for customers (Lamb and Sumarwan, 2022, p. 203).



8. Gather customer data and insights: Sales promotion can be used to gather valuable customer data and insights, which can be used to inform future marketing strategies and tactics (Djaslim, 2022, p. 125).

As noted by Schultz (2022, p. 190), sales promotion objectives can vary depending on the specific goals and strategies of the business. For instance, a company might employ sales promotion to launch a new product or service onto the market or to boost sales and revenue during a quiet time. Businesses can create successful tactics to accomplish their marketing objectives and propel success by comprehending the many purposes of sales promotion.

#### **2.1.2.5 Types of Sales Promotion**

There are several different types of sales promotions, all aimed at achieving particular goals. Typical forms of sales promotions consist of:

1. Discounts: Offering temporary price reductions to make a product or service more appealing to consumers (Boone & Kurtz, 2021).
2. Coupons: Providing customers with vouchers or codes that offer discounts, free items, or other benefits upon purchase (Boone & Kurtz, 2021).
3. Rebates: Allowing customers to receive a partial refund or reimbursement after purchasing a product or service (Boone & Kurtz, 2021).
4. Buy-One-Get-One-Free Offers: Enticing customers to purchase by offering an additional item or service at no extra cost (Boone & Kurtz, 2021).

5. Loyalty Programs: Rewarding repeat customers with points, rewards, or exclusive benefits to foster loyalty and repeat business (Boone & Kurtz, 2021).
6. Contests and Giveaways: Engaging customers through interactive promotions that involve prizes or giveaways (Boone & Kurtz, 2021).
7. Sampling: Providing consumers with free product samples or trials to experience the product firsthand (Boone & Kurtz, 2021).

#### **2.1.2.5 Promotion Tool**

Promotion tools refer to the specific channels or mechanisms used to deliver sales promotions to the target audience. These tools can include:

1. Print or Digital Coupons: Distributed through newspapers, magazines, or online platforms to offer discounts or incentives (Boone & Kurtz, 2021).
2. Promotional Emails: Sending targeted email campaigns to customers with exclusive offers or information about upcoming sales (Boone & Kurtz, 2021).
3. Social Media Campaigns: Leveraging social media platforms to create viral campaigns, contests, or promotions that engage and excite consumers (Boone & Kurtz, 2021).
4. In-Store Displays: Using visually appealing and interactive displays in retail stores to promote specific products or services (Boone & Kurtz, 2021).

5. Direct Mailers: Sending targeted promotional materials or offers directly to customers' mailboxes (Boone & Kurtz, 2021).
6. Event Sponsorships: Partnering with events or charities to promote a brand or product (Boone & Kurtz, 2021).

#### **2.1.2.5 Indicator of Sales promotion**

Assessing the success of sales promotions involves tracking key performance indicators (KPIs) and metrics. These indicators can include:

1. Sales Volume and Growth: Monitoring sales figures before, during, and after the promotion to gauge the immediate impact (Boone & Kurtz, 2021).
2. Website Traffic and Social Media Engagement: Tracking online interactions, including website visits, social media shares, or hashtag campaigns associated with the promotion (Boone & Kurtz, 2021).
3. Customer Satisfaction: Measuring customer feedback and satisfaction levels to assess the perceived value and effectiveness of the promotion (Boone & Kurtz, 2021).

#### **2.1.3. Personal Selling**

##### **2.1.3.1 Definition of personal Selling**

Personal selling is a dynamic and interactive process that involves direct interactions between a salesperson and a prospective buyer, with the goal of influencing purchase decisions and building long-term relationships (Rosenbloom et al., 2022). It transcends the mere act of selling a product or service; it is about

understanding customer needs, providing solutions, and creating a positive and memorable buying experience (Rosenbloom et al., 2022). Effective personal selling leverages a combination of communication skills, empathy, and persuasive techniques to shape consumer behaviour (Rosenbloom et al., 2022).

Salespeople act as brand ambassadors, conveying the unique value proposition of the product or service in a way that resonates with the buyer on a personal level (Rosenbloom et al., 2022). It involves building trust, establishing rapport, and creating a personalized connection that extends beyond the initial transaction (Rosenbloom et al., 2022).

#### **2.1.3.2 Types of Personal Selling**

Depending on the type of engagement, degree of relationship-building, and sales strategy, personal selling can be divided into a number of categories.:

1. **Order-Taking vs. Consultative Selling:** Order-taking involves processing customer orders and providing basic product information, while consultative selling entails offering in-depth advice, solutions, and value-added services (Rosenbloom et al., 2022).
2. **Transactional vs. Relationship Selling:** Transactional selling focuses on individual transactions and short-term gains, while relationship selling emphasizes building long-term customer relationships and fostering repeat business (Rosenbloom et al., 2022).
3. **Inside vs. Outside Sales:** Inside sales refer to selling remotely or virtually, often through phone or online channels, while outside sales involve face-to-

face interactions with customers in their environment (Rosenbloom et al., 2022).

4. Business-to-Consumer (B2C) vs. Business-to-Business (B2B) Selling: B2C selling targets individual consumers, while B2B selling involves selling products or services to other businesses (Rosenbloom et al., 2022).

### **2.1.3.3 Process of Personal Selling**

The personal selling process typically follows a structured framework, often represented by the acronym SPIN (Situation, Problem, Implication, Need-Payoff) (Rosenbloom et al., 2022). First and first, salespeople try to comprehend the client's circumstances and pinpoint any underlying issues or requirements. They then highlight the implications of these issues and present solutions that address the customer's needs, showcasing the benefits and value of the proposed solution (Rosenbloom et al., 2022).

The process can be further elaborated as follows:

1. Prospecting: Identifying and qualifying potential customers who are likely to benefit from the product or service (Rosenbloom et al., 2022).
2. Pre-Approach: Researching and preparing for the sales interaction, including gathering customer information and tailoring the approach (Rosenbloom et al., 2022).
3. Approach: Initiating contact with the customer in a confident and professional manner (Rosenbloom et al., 2022)

4. Presentation: Delivering a compelling and personalized presentation of the product or service, highlighting its features, benefits, and value (Rosenbloom et al., 2022).
5. Handling Objections: Addressing any concerns or objections raised by the customer in a confident and empathetic manner (Rosenbloom et al., 2022).
6. Closing the Sale: Sealing the deal by gaining the customer's commitment and finalizing the transaction (Rosenbloom et al., 2022).
7. Follow-Up: Maintaining contact after the sale to ensure customer satisfaction and build long-term relationships (Rosenbloom et al., 2022).

#### **2.1.3.4 Indicators of Personal Selling**

Assessing the success of personal selling goes beyond immediate sales figures. Key indicators of success in personal selling include:

1. Customer Satisfaction and Loyalty: High levels of customer satisfaction, repeat business, and positive word-of-mouth referrals reflect the effectiveness of personal selling (Rosenbloom et al., 2022).
2. Sales Targets and Revenue Growth: Achieving or exceeding sales targets, increasing market share, and contributing to overall revenue growth indicate successful personal selling efforts (Rosenbloom et al., 2022).
3. Long-Term Relationships: Building and maintaining strong, long-term relationships with customers, leading to repeat business and referrals (Rosenbloom et al., 2022).

4. Customer Feedback and Testimonials: Positive feedback, testimonials, and online reviews from customers attest to the impact of personal selling on their buying experience (Rosenbloom et al., 2022).

#### **2.1.4. Word of Mouth**

##### **2.1.4.1 Definition of Word of Mouth**

Word of mouth refers to the spontaneous and informal exchange of information, opinions, or evaluations about a product, service, brand, or experience between individuals within social networks (Hennig-Thurau et al., 2021). It encompasses offline and online conversations, including face-to-face discussions, phone calls, text messages, online reviews, social media interactions, and forum posts (Hennig-Thurau et al., 2021). Word-of-mouth communications can be positive, negative, or neutral in sentiment and can significantly influence consumer behaviour and brand reputation (Hennig-Thurau et al., 2021).

In the digital age, word-of-mouth has become even more powerful and far-reaching due to the proliferation of online platforms and social media (Liu et al., 2022). A single customer experience, whether positive or negative, can now reach and impact a vast audience, influencing the decisions and perceptions of prospective buyers (Liu et al., 2022). As such, word-of-mouth has emerged as a critical component of the marketing mix, offering authentic and trusted insights that shape consumer behaviour (Liu et al., 2022).



#### **2.1.4.2 Benefits of Word of Mouth**

The benefits of WOM are numerous, and include:

1. Increased credibility: WOM is considered a more credible source of information than advertising or other forms of marketing (Kotler and Kartajaya, 2022).
2. Increased trust: Consumers are more likely to trust recommendations from friends, family, or peers than from companies or advertisers (Kotler and Kartajaya, 2022).
3. Increased sales: Positive WOM can lead to increased sales and revenue, because customers are more inclined to test a good or service after hearing about it from a reliable source. (Kotler and Kartajaya, 2022).
4. Reduced marketing costs: WOM can be a cost-effective form of marketing, as it does not require significant investments in advertising or other forms of promotion (Kotler and Kartajaya, 2022).
5. Improved customer retention: Since happy consumers are more likely to stick with a firm and refer it to others, positive word-of-mouth (WOM) can boost customer loyalty and retention. (Kotler and Kartajaya, 2022).

#### **2.1.4.3 Word of Mouth Marketing Strategies**

Businesses can employ a number of tactics to promote favorable WOM, such as:

1. Providing excellent customer service: Companies that provide excellent customer service are more likely to generate positive WOM (Kotler and Kartajaya, 2022).
2. Offering high-quality products: Companies that offer high-quality products are more likely to generate positive WOM (Kotler and Kartajaya, 2022).
3. Encouraging customer engagement: Companies that encourage customer engagement and participation are more likely to generate positive WOM (Kotler and Kartajaya, 2022).
4. Using social media: Companies that use social media to engage with customers and encourage positive WOM are more likely to generate positive WOM (Kotler and Kartajaya, 2022).
5. Offering incentives: Companies that offer incentives, such as discounts or rewards, to customers who generate positive WOM are more likely to generate positive WOM (Kotler and Kartajaya, 2022).

#### **2.1.4.4 Indicators of Word of Mouth**

Word-of-mouth is organic and frequently intangible, making it difficult to measure its impact. However, a number of markers can provide light on its impact and efficacy:

1. Customer Testimonials and evaluations: Online evaluations and positive testimonies from pleased clients are excellent gauges of the influence of word-of-mouth marketing. Voluntary feedback and recommendations

reflect the impact of word-of-mouth on purchase decisions and overall customer satisfaction (Liu et al., 2022).

2. **Social Media Engagement:** Metrics such as likes, shares, comments, and retweets on social media platforms can quantify the reach and engagement of word-of-mouth communications (Liu et al., 2022). Higher engagement levels suggest greater word-of-mouth impact.
3. **Brand Reputation and Perceived Quality:** Word-of-mouth communications can shape a brand's reputation and perceived quality (Liu et al., 2022). One way to measure the effect of word-of-mouth on brand image is to track consumer feedback, brand sentiment, and online reviews over time.

### **2.1.5. Customer Purchase Decision**

#### **2.1.5.1 Definition of Customer Purchase Decision**

The customer purchase decision refers to the complex process through which consumers identify their needs, gather information, evaluate alternatives, and ultimately make a buying decision (Solomon, 2021). It involves a series of cognitive and emotional steps, influenced by a range of internal and external factors (Solomon, 2021). Understanding this decision-making process is crucial for marketers, as it provides insights into how consumers select products or services, weigh their options, and ultimately convert into buyers (Solomon, 2021).

The customer purchase decision process is often depicted as a linear model, consisting of five stages: need recognition, information search, evaluation of alternatives, purchase decision, and post-purchase evaluation (Solomon, 2021).

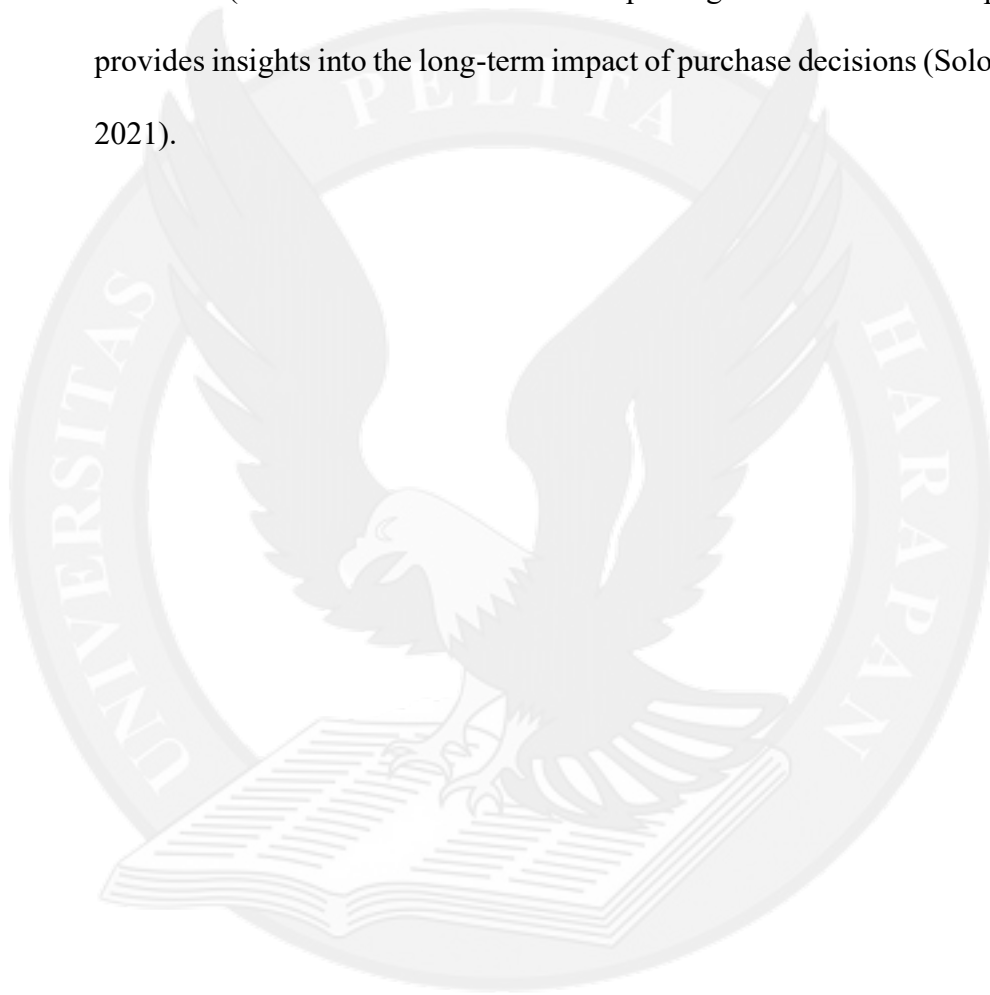
However, this process is often nonlinear and iterative, with consumers moving back and forth between stages as they seek to make informed and satisfying choices (Solomon, 2021).

#### **2.1.5.2 Indicators of Customer Purchase Decision**

Assessing customer purchase decisions involves tracking various indicators and metrics that provide insights into consumer behaviour and preferences. These indicators can include:

1. **Purchase Frequency:** Monitoring the frequency with which customers make purchases can reveal buying patterns and loyalty (Solomon, 2021). Higher purchase frequency suggests a stronger brand affinity.
2. **Customer Acquisition Sources:** Understanding where customers originate from, such as online channels, referrals, or promotional campaigns, provides insights into the effectiveness of marketing efforts (Solomon, 2021).
3. **Customer Demographics and Psychographics:** Analyzing customer demographics (age, gender, income, etc.) and psychographics (interests, values, lifestyle, etc.) helps segment the target market and tailor marketing strategies (Solomon, 2021).
4. **Purchase Pathways:** Mapping the customer journey and identifying the touchpoints that influence their purchase decision, such as online reviews, social media, or word-of-mouth recommendations (Solomon, 2021).

5. Conversion Rates: Tracking the percentage of prospects who convert into buyers, providing insights into the effectiveness of marketing and sales efforts (Solomon, 2021).
6. Customer Retention and Churn Rates: Monitoring customer retention rates and churn (the rate at which customers stop doing business with a company) provides insights into the long-term impact of purchase decisions (Solomon, 2021).



## 2.2 Previous Research

**Table 2. 1 Summary of Previous Research**

No.	Name/Title	Variable	Methodology Research	Result	Similarity and Difference
1.	Mardiyono, et al (2023)  Effect of Product Quality, Promotion and Personal Selling on Purchase Decisions Through Intention to Buy Amazink Ink Consumers in Cirebon City	Product quality $X_1$ Promotion $X_2$ Personal selling $X_3$ Buying interest $Z$ Purchase Decision $Y$	This thesis employs a hypothesis test as its methodology. To determine how these characteristics directly affect purchasing intention and choice, two equations are evaluated.	Customers' decisions to buy from PT Aston Sistem Indonesia Cirebon City Branch are positively and significantly impacted by promotions and personal selling.	The similarities of this research are using the same hypothesis test, all the variable $X$ has positive influence on variable $Y$ . The different is in method to find the number of data, the journal using $Z$ variable.
2.	Aziz, et al (2023)  THE EFFECT OF WORD OF MOUTH AND SALES PROMOTION ON PURCHASE DECISIONS AT FRAN COFFEE PEKANBARU	Word of mouth $X_1$ Sales promotion $X_2$ Purchase decision $Y$	The method used on this thesis a non-probability sampling technique. Hypothesis test (t-test and F-test).	Purchase decisions at Fran Coffee Pekanbaru are significantly influenced by word-of-mouth, but they are not significantly impacted by sales promotions.	The similarities of this research is the word of mouth variable has significant effect on the dependent variable.  The different is sales promotion variable no significant effect on the dependent variable.
3.	THE EFFECT OF ADVERTISING, PERSONAL SELLING AND WORD OF MOUTH ON PURCHASE DECISIONS AT UD SUMBER BANGUNAN SABRANG	Advertising $X_1$ Personal Selling $X_2$ Word of Mouth $X_3$ Purchase Decision $Y$	Hypothesis testing, more especially multiple linear regression analysis and the t-test, is the methodology employed in this study.	The findings indicate that while advertising and personal selling do not significantly impact purchasing decisions, word-of-mouth does. Nonetheless, word-of-mouth, personal	Similarity: The research uses the same hypothesis testing methodology, and all the $X$ variables have a positive influence on variable $Y$ (Purchase Decision). Difference: The difference lies in the variables used, where the reference study uses Product Quality, Promotion, and Personal Selling, while this study uses

	AMBULU JEMBER			selling, and advertising all have a favorable and considerable impact on decisions to buy at the same time.	Advertising, Personal Selling, and Word of Mouth. Additionally, the reference study uses an additional variable Z (Buying Interest), which is not used in this study.
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Source: Prepared by the Writer (2025)

## 2.3 Hypothesis Development

### 2.3.1. The influence of sales promotion on customer purchase decision

Sales promotions are short-term incentives strategically deployed to stimulate consumer purchasing behaviour (Boone & Kurtz, 2021). The impact of sales promotions on customer purchase decisions can vary based on factors such as the type of promotion, the target audience, and the cultural context (Fill, 2020). It is hypothesized that:

**H<sub>1</sub>: Sales promotions will have a significant positive impact on customer purchasing decisions at Honda IDK 2.**

### 2.3.2. The Influence of Personal Selling on Customer Purchase Decision

Personal selling involves direct and interactive interactions between salespeople and prospective buyers (Rosenbloom et al., 2022). It encompasses relationship-building, needs assessment, and the provision of tailored solutions (Rosenbloom et al., 2022). It is hypothesized that:

**H<sub>2</sub>: Personal selling will have a significant positive influence on customer purchasing decisions at Honda IDK 2.**



### **2.3.3. The Influence of Word of Mouth on Customer Purchase Decision**

Word-of-mouth refers to the informal exchange of information, opinions, and evaluations between individuals within social networks (Hennig-Thurau et al., 2021). It can occur offline or online and has the potential to significantly influence consumer behaviour (Hennig-Thurau et al., 2021). It is hypothesized that:

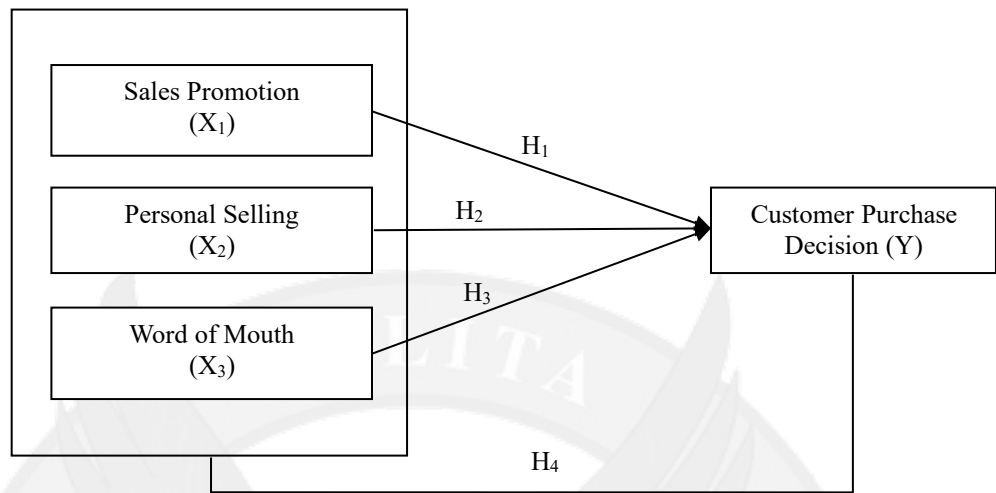
**H<sub>3</sub>: Word-of-mouth will have a significant positive influence on customer purchasing decisions at Honda IDK 2.**

### **2.3.4. The Relation Between Sales Promotion, Personal Selling, Word of Mouth, and Customer Purchase Decision**

Compared to the effects of each component alone, it is expected that the combined influence of sales promotion, personal selling, and word-of-mouth will have a more significant and synergistic effect on consumer purchase decisions. It is hypothesized that:

**H<sub>4</sub>: The synergistic influence of sales promotion, personal selling, and word-of-mouth will result in a more substantial impact on customer purchasing decisions at Honda IDK 2.**

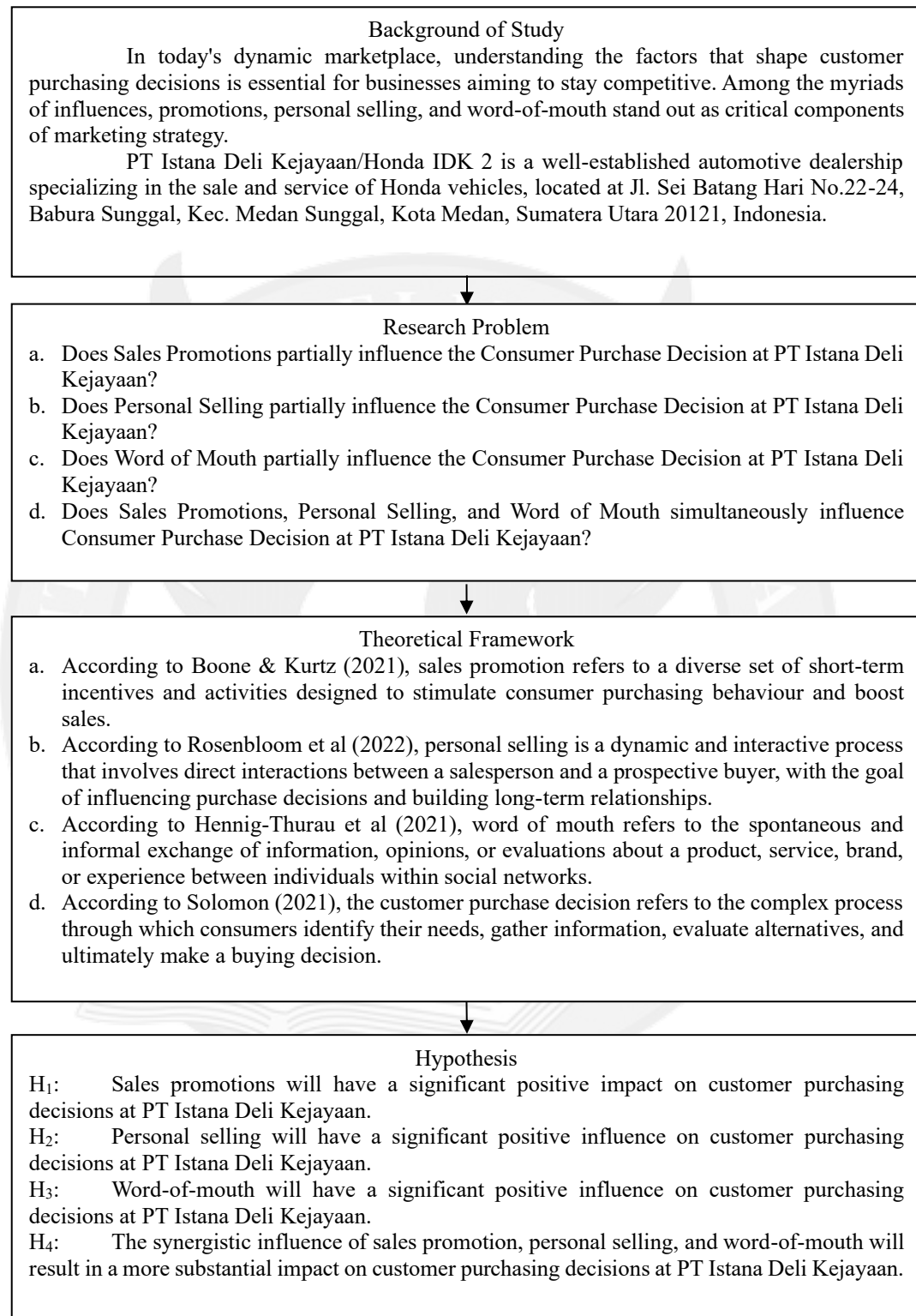
## 2.4 Research Model



**Figure 2. 1 Research Model**

Source: Prepared by the Writer (2025)

## 2.5 Framework of Thinking



**Figure 2. 2 Framework of Thinking**  
Prepared by the Writer (2024)