

THE INFLUENCE OF PERSONAL SELLING, PRODUCT KNOWLEDGE, AND CUSTOMER RELATIONSHIP MANAGEMENT (CRM) ON PURCHASING DECISIONS AT OPTICS NICE SIDOARJO



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Abstract

This study aims to determine and analyze the effect of Personal Selling, Product Knowledge, and Customer Relationship Management (CRM) variables on purchasing decisions at Optik Nice Sidoarjo with a total of 100 respondents who are Optik Nice Sidoarjo customers. Data was collected by distributing questionnaires that had been tested for validity and reliability to ensure data accuracy and consistency. Data analysis was performed using SmartPLS software version 4.0. This study tests the hypothesis using the Structural Equation Model (SEM) with the Partial Least Square (PLS) analysis method. The measurement scale in this study uses a Likert scale. The results showed that personal selling and customer relationship management had a significant positive effect on purchasing decisions. Meanwhile, the product knowledge variable produces an insignificant effect on purchasing decisions at Optik Nice Sidoarjo. These findings indicate that emotional closeness and effective communication are more influential than product knowledge. Therefore, companies are advised to focus on improving the quality of employee service.

Keywords: Personal Selling, Product Knowledge, Customer Relationship Management, Purchase Decision

INTRODUCTION

In today's modern era, awareness for eye health has a very important role because it is seen from the many uses of gadgets and activities that demand intensive eye work. Based on data from the World Health Organization (WHO) said that there are 2.2 billion people in the world experiencing vision problems in 2023. The data was also conveyed by the Minister of Health of the Republic of Indonesia Budi Gunandi on February 22, 2022 when opening the 29th Asia-Pacific Academy of Ophthalmology (APAO) Congress in Bali. With this phenomenon, the business in the optical field is experiencing intense competition. Therefore, . Companies must use the right marketing strategy in marketing their products so that consumers are interested in buying and liking the company's products (R.Muslinawati, 2019).

Personal Selling is one of the right marketing techniques to increase buying interest in consumers. Personal selling is not only the sale of goods or services, but also an effective mechanism for communicating with potential consumers, which helps build long-term personal relationships with them or consumers (Matviets & Kipen, 2021). . Product knowledge is also one of the important factors to influence consumer behavior in making purchasing decisions. As stated by Candra & Kristiani (2023, p. 175), consumers who have a high level of product knowledge tend to be familiar with these products and tend not to experience anxiety when making purchases. Meanwhile, according to Rizal (2020) Customer Relationship Management is a process of identifying and building, maintaining, accelerating and whenever necessary breaking relationships with consumers and other parties with an interest in the company to make a profit, so as to achieve the goals of all parts involved with it.

REVIEW OF LITERATURE

Personal Selling

Personal Selling is a face-to-face communication between the seller and the buyer. In simple words, it can also be defined as the art of persuasion where the seller tries to win the customer's trust and knows the importance of marketing strategies. However, personal selling has become consultative selling. Sales with this technique also help interact with sellers and customers at the same time to try to find out customer questions or problems and explain products to overcome the problems faced by customers (Taufiq Akbar, 2023: 2). Personal Selling plays an important role in marketing strategy, because through face-to-face interaction between customers and sellers. Taufiq Akbar (2023: 3) explains that in the application of Personal Selling there are personal selling features that determine certain characteristics associated with personal selling.

Product Knowledge

Product Knowledge can be summarized as information or sales knowledge that is transferred to consumers about a certain product. And defined as an element contained in a product and involves consumers to maintain trust in the product (Tamboto & Pangemanan, 2024). If the understanding of product knowledge does not give consumers a sense of trust, it will also have an impact on the purchasing decision that will be given by a consumer. This also affects sales conversion, resulting in losses to related companies. Therefore, it is important for sellers to have in-depth product knowledge in order to build consumer trust and consumers can make positive purchasing decisions.

Customer Relationship Management (CRM)

Customer Relationship Management is a business strategy that combines processes, people and technology (Abdurohim et al, 2022). At this time Customer Relationship Management has the aim of knowing as much as possible about how the needs of consumers. Given the importance of handling customer complaints appropriately and accurately, it is necessary to have a medium that can manage relationships with customers and accommodate complaints that can increase customer loyalty and satisfaction (Wulandari & Hartomo, 2022).

Purchase Decision

Purchasing decisions are not just a simple act of buying a product; purchasing decisions are a process that involves a number of stages and factors that influence each other. Not only the introduction of needs, but actions in purchasing decisions also include decisions on product types and benefits, sales, and purchase times and payment methods (Munandar & Sari, 2023). Purchasing decisions are not just choosing a product but a complex process involving the consideration of various brands on the market. Purchasing decisions that are influenced by buying interest will produce motivation that is firmly embedded in the minds of consumers (Hidayat et al., 2023).

RESEARCH METHOD

This research uses associative research with a quantitative approach. With this research, it can build a theory that has a function to explain, predict, and control a symptom that is useful for analyzing how one variable can affect another variable. In this study, there are three dependent variables, namely personal selling, product knowledge, and customer relationship management (CRM), which will be tested in relation to the dependent variable, namely purchasing decisions. The main purpose of this research is to test the hypothesis that has been formulated previously (Sugiyono, 2019). The survey in this study was conducted by distributing questionnaires to respondents who were a sample of the population. This approach aims to test the hypothesis that has been set. This questionnaire is designed with relevant questions, and the questionnaire filler has specific criteria.

Partial Least Square (PLS) method. This method has the ability to perform analyses in one test. In addition, this method also aims to assist researchers in confirming a theory and explaining whether or not there is a relationship between variables. In the opinion of Sholeh & Jakaria (2021) Partial Least Square (PLS) is a method that is able to create and build a model using a prediction-oriented approach.

RESULTS AND DISCUSSION

Results of Respondent Characteristics

Based on age characteristics, it can be seen that the majority of respondents are between 19-23 years old as many as 60 consumers, with a percentage value of 60%. The rest are consumers with an average age ranging from 24 years 53 years, with a total of 40 consumers and a percentage of 40%. Meanwhile, based on Table 4.2, it can be seen that consumers at Optik Nice Sidoarjo with male and female genders have the same number, namely 50 consumers or 50%. and based on Table 4.3, it can be seen that consumers in Optik Nice Sidoarjo are most dominantly from Sidoarjo with 54 respondents or 54%.

Validity Test Results

The results of the validity test that have been processed using Smart PLS 4.0, it is known that the outer loading value is more than 0.7 each. Therefore, all variables in this study have met the criteria of convergent validity and can be declared valid.

Reliability Test Results

Based on the results of the reliability test using Smart PLS 4.0, it shows that all constructs have values that have met the criteria for construct's alpha and composite reliability, each of which has a value of more than 0.7. So, it can be concluded that all constructs have good reliability. This indicates that the indicators used to measure each variable in this study are consistent.

R-square (R^2)

The results of data processing from Smart PLS 4.0 on the effect of Personal Selling, Product Knowledge, and Customer Relationship Management on purchasing decisions at Optik Nice Sidoarjo get an adjusted R^2 value of 0.535 or 53.5%. These results mean that the effect of Personal Selling, Product Knowledge and Customer Relationship Management on Purchasing Decisions is 53.5% that the influence between variables X_1 , X_2 , and X_3 on Y has a moderate effect.

F-square

The conclusion of the F-square value is as follows: The variable X_1 (Personal Selling), X_2 (Product Knowledge), and X_3 (Customer Relationship Management) on Purchasing Decisions (Y) has a value of 0.399, resulting in a large effect of the independent variable on the dependent.

Hypothesis Testing 1 (Personal Selling Affects Purchasing Decisions)

The results of the first hypothesis test show that the relationship between the personal selling variable and purchasing decisions at Optik Nice Sidoarjo has a correlation value of 0.295. This value means that there is a positive influence between personal selling on purchasing decisions at Optik Nice Sidoarjo. This means that the better the implementation of personal selling in Optik Nice Sidoarjo, the more likely consumers are to make purchasing decisions.

Hypothesis Testing 2 (Product Knowledge Affects Purchasing Decisions)

The results of the second hypothesis test show that the relationship between the product knowledge variable and purchasing decisions has a correlation value of 0.026. This value means that there is no positive influence between product knowledge and purchasing decisions at Optik Nice Sidoarjo. The higher the product knowledge possessed by consumers, the more likely consumers are to make purchasing decisions at Optik Nice Sidoarjo.

Hypothesis Testing 3 (Customer Relationship Management Affects Purchasing Decisions)

The results of the third hypothesis test show that the relationship between the customer relationship management variable and purchasing decisions has a correlation value of 0.522. This value indicates a strong positive relationship between the application of customer relationship management and purchasing decisions at Optik Nice Sidoarjo. This means that the better and more effective the customer relationship management strategy implemented by the company, the more likely consumers are to make purchasing decisions.

Hypothesis Testing 4 (Personal Selling, Product Knowledge, and Customer Relationship Management on Purchasing Decisions)

Based on the results of the calculation, it shows that personal selling, product knowledge, and customer relationship management have a positive effect on purchasing

decisions at Optik Nice Sidoarjo. This is evidenced by the R square value of 0.549. This shows that the variation in purchasing decisions at Optik Nice Sidoarjo can be explained by the influence of personal selling, product knowledge, and customer relationship management variables. This means that more than half of the purchasing decisions can be influenced by these factors, which means that the marketing and sales strategies implemented by Optik Nice Sidoarjo are quite effective in influencing consumer behavior.

The Effect of Personal Selling on Purchasing Decisions

The results of the first hypothesis test show that the relationship between the personal selling variable and purchasing decisions has a correlation value of 0.295. Based on the results of the original sample (O) calculation, it can be concluded that the personal selling construct has a positive effect on the purchasing decision construct. This can be seen from the original sample (O) value of 0.295, p values of $0.042 < 0.05$, and a T statistic value of $2.037 > 1.96$. This shows that the personal selling variable has a positive and significant effect on purchasing decisions.

The results of this study indicate that an effective personal selling approach can increase the likelihood of consumers to make purchases. Therefore, Optik Nice Sidoarjo must consider optimizing personal selling strategies in order to positively influence purchasing decisions. Although the correlation obtained is not too high, the significant relationship still shows that personal selling has an important role in influencing purchasing decisions.

The Effect of Product Knowledge on Purchasing Decisions

The results of the second hypothesis test show that the relationship between the product knowledge variable and purchasing decisions has a correlation value of 0.026, a P value of $0.087 > 0.05$ and a T statistic value of $0.1687 < 0.196$. This shows that the product knowledge variable does not have a significant influence on purchasing decisions. P values greater than 0.05 indicate that H_0 is accepted and indicate that there is no relationship between product knowledge and purchasing decisions. In addition, the statistical value < 1.96 also indicates that the test results are not statistically significant.

These results indicate that although product knowledge can be an important factor in the purchasing process, in this study product knowledge does not have a strong enough influence to influence significant purchasing decisions. Therefore, Optik Nice Sidoarjo needs to consider other factors that might have a greater influence on purchasing decisions such as product quality, price, or other factors.

The Effect of Customer Relationship Management on Purchasing Decisions

The results of the third hypothesis test show that the relationship between customer relationship management and purchasing decisions has a correlation value of 0.522, a P value of $0.000 < 0.05$, and a T statistic value of $4.572 > 1.96$. This shows that the CRM variable has a positive and significant effect on purchasing decisions. This can be judged from the P values less than 0.05, indicating that H_0 is rejected, and indicates a relationship between customer relationship management and purchasing decisions.

These results indicate that effective customer relationship management strategies, such as providing responsive customer service, personalized communication, and a customer needs-based approach, can create trust and loyalty, which ultimately encourage consumers to make purchasing decisions. Companies like Optik Nice Sidoarjo must make customer relationship management the main focus used in marketing and customer service strategies.

Personal Selling, Product Knowledge, and Customer Relationship Management Affect Purchasing Decisions.

Based on the results of the calculation, it shows that this study has a positive influence on purchasing decisions. This can be seen from the Path Coefficients value of 0.295, the Path Coefficient product knowledge value of 0.026, and the path coefficient value of customer relationship management of 0.522. Based on the results of these calculations, it shows that personal selling, product knowledge, and customer relationship management simultaneously have a positive effect on purchasing decisions at Optik Nice Sidoarjo.

This is evidenced by the R Square value of 0.549. This means that the better the application of Personal Selling, Product Knowledge, and Customer Relationship Management, the more purchasing decisions will be made by customers. Thus, this research can serve as a guideline for similar business contexts, especially in the retail or service sector, such as optics, retail stores, or small and medium enterprises (MSMEs) that rely on direct interaction between sellers and consumers. The findings can also serve as a basis for other companies in designing marketing strategies that focus on strengthening relationships with customers, improving the quality of product information provided, and improving salesperson skills.

CONCLUSION

1. Based on the results of hypothesis 1 testing, it can be concluded that there is a positive and significant influence between the personal selling variable (X1) and purchasing decisions (Y). Thus, the better the quality of personal selling that is applied, the more likely consumers are to make a purchase decision at Optik Nice Sidoarjo.
2. Based on the results of hypothesis 2 testing, it can be concluded that there is no significant influence between the product knowledge variable (X2) and purchasing decisions (Y). Thus, the level of consumer knowledge of the products offered does not directly influence consumers to make a purchasing decision at Optik Nice Sidoarjo.
3. Based on the results of hypothesis 3 testing, it can be concluded that there is a positive and significant influence between the customer relationship management variable and purchasing decisions (Y). Thus, the more the better the application of Customer Relationship Management, the greater the consumer can make a purchase decision at Optik Nice Sidoarjo.
4. Based on the results of hypothesis 4, it can be concluded that simultaneously the variables of personal selling, product knowledge, and customer relationship management with purchasing decisions have a positive and significant effect. Thus, it shows that these three variables play an important role in influencing consumers to make a purchasing decision at Optik Nice Sidoarjo.

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