



Effect of Promotional Mix on Credit Card Usage Decisions for Customers of PT BNI (Persero) Tbk Manado Area During the Covid-19 Pandemic

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ABSTRACT

The payment system using a credit card is an effort to reduce the use of cash instruments, in addition to debit cards and electronic money. With current technological developments, payment systems made in cash as is generally done, tend to be impractical because they must be provided in various nominal terms. Even the existence of cash becomes a burden on the Central Bank to print and control its circulation. With the ease of doing transactions offered through the use of APMK (Card-Based Payment Instruments), Credit Cards are one of the people's choices in transactions, which shows the development in the number of users. However, since the Covid-19 pandemic, the development of the number of credit card users has shown a decline. This study aims to see how the influence of advertising strategies, sales promotions and personal selling on the decision to use credit cards on customers of PT.BNI (Persero) Tbk Manado Region. The analytical tool used is multiple regressions with the help of SPSS 26 application. The results show that the advertising strategy variable, sales promotion variable, and personal selling have a positive and significant impact on Credit Card Usage Decisions for Customers of PT. BNI (Persero) Tbk Manado Region.

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INTRODUCTION

As one of the business activities carried out by banks, financial transactions using credit cards are currently one of the people's choices besides cash transactions because of their convenience and practicality. Credit Cards are APMK (Card-Based Payment Instruments) that can be used to make

various payments for obligations arising from an economic activity, including shopping transactions and/or to make cash withdrawals, where the cardholder's payment obligations are fulfilled first by the acquirer or issuer. , and the cardholder is obligated to make payments for transactions made at the agreed time, either by payment in a lump sum (charge card) or by payment in installments. (PBI APMK No.11/11/PBI/2009 as amended by PBI No. The payment system using a credit card is an effort to reduce the use of cash instruments, in addition to debit cards and electronic money. With current technological developments, the cash payment system, as is generally done, tends to be impractical because it must be provided in various nominal terms. Even the existence of cash becomes a burden on the Central Bank to print and control its circulation. Printing and redesign costs are also high and must be done regularly. Moreover, the use of cash is considered difficult because the physical calculation of cash must be done manually, and if the amount is large, the risk of miscalculation is greater. Currently ownership of credit cards that function as a means of payment in society is increasingly familiar. In its development there was a time when credit card ownership only became part of the lifestyle of the upper class with high incomes. Today, with the ease of requirements to the application process, credit cards are becoming easier to own. *Coronavirus Disease*2019 (Covid-19) started from a group of people in Wuhan City, China since the end of December 2019, and spread so quickly throughout the world, because the transmission process is quite easy. The main medium of virus transmission is through droplets which can be easily spread when humans interact directly with a certain distance. Covid-19 has become a terrible pandemic, in a short time it has spread throughout the world. The Covid-19 pandemic is very troubling for citizens of the world, including Indonesia because of the risk of death that can be caused by infection with the virus. As the number of confirmed cases of Covid-19 continues to increase, on March 12, 2020 WHO declared Covid-19 a pandemic. Globally, there are 56,982,476 confirmed Covid-19 cases, 1,361,847 deaths, 219 infected countries, 178 local transmission countries. The condition of Indonesia itself, from 3,526,607 people examined, as many as 493,308 confirmed Covid-19, positive Covid-19 recovered as many as 413,955, cases died as many as 15,774, Covid-19 negative as many as 3,033,299 (Ministry of Health data until November 21, 2020). In an effort to prevent or suppress the rate of transmission of Covid-19, several countries have implemented lockdowns, quarantines, and restrictions on various community social activities such as the cessation of a number of flights, restrictions on land and sea transportation, all of which have an impact on economic activity. One of the policies of the Indonesian government is to impose PSBB (Large-Scale Social Restrictions). PSBB is contained in Government Regulation No. 21 of 2020 concerning PSBB in the context of accelerating the handling of the corona virus disease (Covid-19). Some things are restricted during PSBB, including school and workplace activities, religious activities, activities in public facilities, socio-cultural activities, and public transportation (Kemenkes RI, 2020). The enactment of the PSBB also limits a number of community activities, including community economic activities such as the closing of shopping centers. This has had a serious impact on a number of trade sectors.

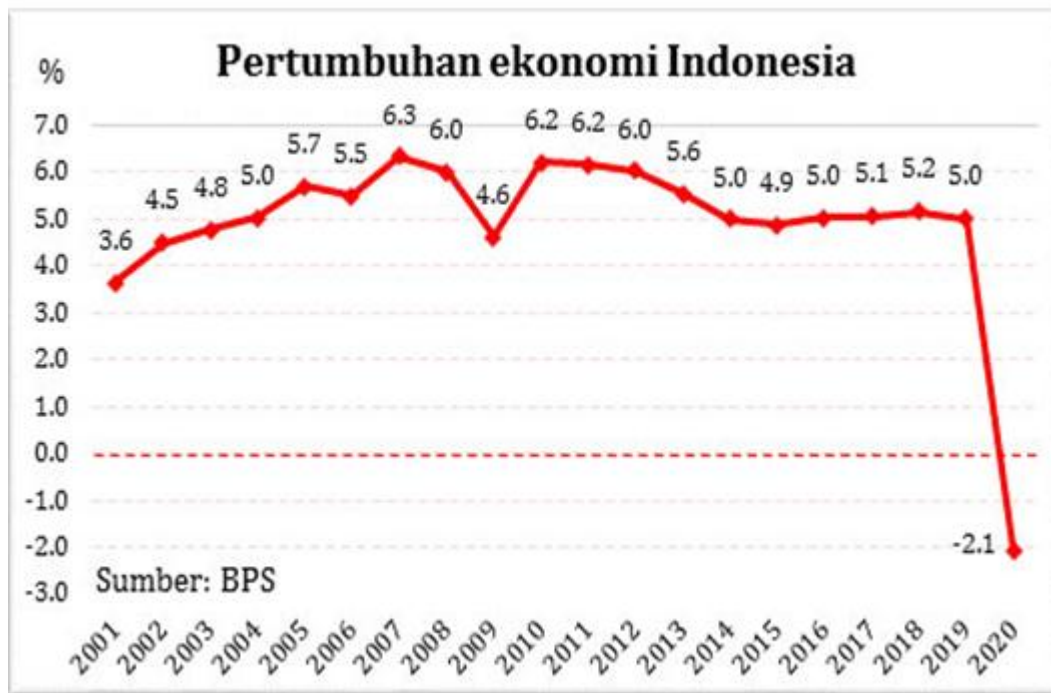


Figure 1.1 Indonesia's Economic Growth 2001 – 2020.

From graph 1.1 of Indonesia's economic growth, according to data released by BPS, it shows that the Indonesian economy has shown a decline of up to 2.1%. Previously, Indonesia's economic growth from 2001 to 2020 averaged 4.9% per year and annual growth was between 5% and 6%. It can be said that the decline in economic growth in 2020 is closely related to Covid-19. The BNI Credit Card business also experienced a decrease in transactions from the implementation of this PPKM. This is due to a change in the transaction habits of cardholders, who usually travel, stay at hotels, and dine in at restaurants, are forced to stay at home.

Table 1.1. Number of Users and Credit Card Transactions in Indonesia

Year	Number of Cards	Number of Transactions (Rp.)
2017	17,244,127	319,291,747
2018	17,275,128	330,145,675
2019	17,487,057	340,248,590
2020	16,940,040	268,209,725
2021	16,713,107	87,824,811

Source: <https://www.akki.or.id/index.php/credit-card-growth>

Last Updated: Tuesday, 08 June 2021 15:30.

Based on data from the Indonesian Credit Card Association in Table 1.1 above, it shows the growth in credit card ownership by customers (number of cards) which automatically causes growth in the number of transactions because credit card holders will automatically make transactions (number of transactions) for the period 2017 to 2019. Entering From 2020 to 2021, there will be a decrease in the number of card ownership, which also automatically causes a decrease in the use of cards in

transactions. Bank Negara Indonesia or BNI is also here to provide the best services in meeting the transaction needs of people who use credit cards, as well as offering various features and benefits of credit cards with all kinds of convenience in transactions.

Table 1.2. Number of BNI Credit Card Users in Manado Area

Year	Number of Cards (Thousand)	Active Card (Thousand)
2019	15.38	10.76
2020	14.57	9.71
2021	14.16	8.49

Source: BNI Credit Card Business Division

Data on BNI Manado Region credit card transactions in table 1.2 also shows a decrease in the number of credit card ownership and a decrease in the number of cards that are actively transacting from 2019 to 2021. This means that customers who already have credit cards are no longer actively using their credit cards for transactions. In addition to the impact of the PPKM implementation, the reduction in credit card transactions is also due to a reduction in the workforce which causes workers to lose their livelihood, so that they are no longer able to finance their daily lives, pay their installments including credit card installments or to make repayments. Consumer purchasing decisions for a product / service is a very important factor in determining the existence of a company. A company can be said to still exist if the stimulus of consumers in deciding to purchase products / services from a market gets a positive response from the market itself. Consumers will form a preference for brands that exist in a personal collection and consumers will also form an intention to buy the brand they are most interested in and lead to a purchase decision (Kotler and Keller, 2009). Promotional mix is a communication tool between companies that own goods or services and potential customers who will become consumers. Thus it is very important for a company to know what promotional tools greatly affect the increase in company sales, so that the company can achieve its goals to the fullest. In this study, the purchase decision made by consumers is the use of the BNI credit card itself, so that it can increase customer transactions to use credit cards in the midst of the Covid-19 pandemic. Research by Akbar, et al (2019) shows that sales promotion and advertising have a positive effect on increasing the use of Bank Mandiri Credit Cards. Simultaneously, Sales Promotion and Advertising have a significant effect on increasing the use of Bank Mandiri Credit Cards in Palembang City. Research by Bazergan, et al (2021) shows that advertising, personal selling, and sales promotion all have a positive and significant effect on customer decisions, either partially or simultaneously. Faisal, et al (2015) research shows that advertising variables partially affect customer decisions, sales promotions have no significant effect on customer decisions, public relations have no significant effect on customer decisions, personal selling has no significant effect on customer decisions, and direct marketing has no significant effect on customer decisions. Customer decisions. Based on the results of the research and the description of the background above, there are gaps, which underlie researchers to conduct further research. That is why research on the promotion mix on credit card usage decisions, especially by raising the factors of advertising strategies, sales promotion strategies and personal sales strategies needs to be carried out further, especially during the Covid-19 pandemic.

LITERATURE REVIEW

2.1. Promotion Mix

In marketing a product or service, promotion plays a very important role, because promotion does not only introduce goods or services to the public, but more than that, promotion also concerns how we try

to influence consumers so that they are interested and finally arrive at the decision to buy the product. According to Kotler and Armstrong (2012), the Promotional Mix or also known as *marketing communications mix* is a combination of promotional tools used by companies to communicate value to consumers and build customer relationships.

According to Kotler and Armstrong (2019) the Promotional Mix consists of several dimensions, namely:

1. Advertising (Advertising), which is a form of non-personal presentation and promotion of ideas for goods and services that are paid for by certain sponsors, namely not only companies but also non-profit institutions (such as government institutions, universities, and so on) and individuals. Advertising is a promotional media in the form of messages conveyed to a wide audience with the aim of offering a product or service through a media that can persuade people to buy.
2. Personal selling is an oral presentation in a conversation with one or more prospective buyers with the aim of creating a sale. Personal selling is the right promotional medium for companies to establish good relationships with their customers. One of the salesperson's goals is to make sales by meeting face-to-face where a salesperson from a company directly meets customers to offer their products.
3. Sales Promotion, which is a short-term incentive to increase the purchase or sale of an item or service where the purchase is expected to be made now. Promotional activities included in this sales promotion include giving coupons, sales, contests, exhibitions and others.
4. Public Relations, serves to foster good relations between all components of an institution in order to provide understanding, foster motivation and participation. All of this aims to foster and develop the understanding and goodwill of the public and obtain favorable public opinion. public relations are various programs designed to promote and/or protect the image of a company or its individual products.
5. Direct Marketing (Direct Marketing), is a direct relationship with individual consumers with the aim of getting an immediate response and fostering lasting customer relationships. In direct marketing, the company/seller tends to go directly to consumers to offer their products or services.

2.2. Advertising Strategy

Advertising strategy is a form of a set of directed plans in the field of advertising, with the aim of obtaining maximum results. This includes how to introduce goods or services by using advertising as an effective promotional medium, which provides information about goods or services, as well as information on the use of these goods or services. The failure of the product or service even though it is of high quality in the market is caused by the fact that people do not know the existence of the product and the use of the product or service.

According to Hermawan (2012) advertising is all forms of non-personal presentation and ideas, goods or services that are paid for by a certain sponsor. With characteristics:

1. Can reach geographically dispersed consumers,
2. Can repeat the message many times,
3. Impersonal and one-way communication, and
4. Can be very expensive for some types of media.

Shimp (2010) says that a paid advertisement, mediated in the form of a communication from an

identifiable source, is designed to persuade the recipient of the message to take some action, now or in the future.

2.3. Sales promotion

Sales promotion is a method or tactic that is carried out at a certain predetermined period of time. Sales promotions are carried out by companies to increase consumer demand and stimulate sales of a product. Kotler and Keller (2009: 219) state that sales promotion consists of a collection of incentive tools, mostly short term, designed to stimulate quicker or greater purchase of certain products or services by consumers or trade. According to Morissan (2014), sales promotion can be divided globally as two elements, namely sales promotion that leads to customers (eg samples, coupons and premiums) and sales promotion that leads to trade (eg advertising and display of benefits).

2.4. Personal Sales

Personal selling is a form of communication that is carried out directly (face to face) between the seller and prospective customers which aims to introduce the benefits of a product / service to prospective customers so that a customer understanding of the product / service is formed, so it is hoped that there will be a desire to try and buy the product/service. According to Sangadji and Sopiah (2013), personal selling is an oral presentation in a conversation with one or more prospective buyers aimed at creating sales. Meanwhile, according to Ardianto (2015), personal selling is one of the variables in the marketing mix that is carried out verbally to consumers. one or more prospective buyers made with the aim of creating a transaction. In personal selling, The promotion tool is human and this is very important for companies to do to offer their products. According to Gigih (2019), personal selling is formed from the correlation between individuals and buyers and potential customers in order to make sales and maintain interactions with buyers.

2.5. Buying decision

In the theory of usage decision variables in this study equated with the theory of purchasing decisions, Peter and Olson (2013) reveal usage decisions as an integration process that is used to combine knowledge and evaluate two or more alternatives and choose one of them. The result of the integration process is a cognitive choice that shows behavioral intentions. Behavioral intention is a plan to carry out one or more behaviors. In deciding to buy a product, a consumer will look at a product from various points of view. These are called the stages of the buying decision process.

RESEARCH METHODS

3.1. Types of research

This research is categorized as quantitative research that examines a particular population or sample. Data collection techniques using research instruments (questionnaires / questionnaires)

3.2. Research Location and Object

This research was conducted at the Solution Retail and Payment of PT BNI (Persero) Tbk Manado Regional Office.

3.3. Method of collecting data

3.3.1. Data source

Primary Data or main data: data obtained directly from respondents through distributing questionnaires to customers who hold BNI Credit Cards, Manado Regional Office. Secondary data in this study are in the form of literature studies, books, literature, and previous studies related to the problems studied.

3.3.2. Data collection technique

The data collection technique used in this study is by using an online questionnaire (google form) to customers who own BNI Credit Cards in the Manado area. Other information is obtained through literature studies that examine theories related to this research, from various reference books and scientific journals in the form of theories related to the Promotional Mix of Credit Card Usage Decisions.

3.4. Population and Research Sample

According to Sugiyono (2016) population is a generalization area consisting of objects or subjects that have certain qualities and characteristics set by researchers to be studied and then drawn conclusions. In a study it is not necessary to examine all individuals because it will take a lot of energy, time and cost. In this study, the population is active credit card holders at PT. BNI (Persero) Tbk Manado Regional Office totaled 8,490 people in December 2021. The sample is a part of the whole and the characteristics possessed by a population (Sugiyono, 2016). The sample in this study came from the population of BNI credit card holders using the Slovin formula.

Calculation using the Slovin formula:

$$n = \frac{N}{1 + N \cdot e^2}$$

where:

n = sample

N = total population

e = error or residual (10%)

$$n = \frac{N}{1 + N \cdot e^2}$$

$$n = \frac{8490}{1 + 8490 (0,01)}$$

$$n = \frac{8490}{85.9}$$

$$n = 98.899 \text{ (Minimum Number of Samples)}$$

In this research, 150 questionnaire forms have been distributed and after the stipulated time limit, there are 117 questionnaires returned. However, after being verified there were 100 valid questionnaires to be used as samples in this study.

3.5. Research Instrument Scale

In this study, respondents can directly choose answers to the available questionnaires, according to their level of agreement with a series of statements. To obtain the value of the questionnaire results, this study uses a Likert scale, as an instrument scale. According to Sugiono (2012:93) the Likert scale is a scale used to measure attitudes, opinions, and perceptions of a person or group of people about social phenomena. For each answer choice given a score, the respondent must describe, support the statement

(positive) or not support the statement (negative).

Table 3.1. Variable Measurement With Likert Scale

Score	Statement / Criteria
5	Strongly agree
4	Agree
3	Doubtful
2	Don't agree
1	Strongly Disagree

Source: Sugino (2012).

3.6. Data Analysis Techniques

The analytical method used in this research is multiple linear regression, including multiple coefficients, F test, t test and classical assumption test. The data to be obtained will be processed using SPSS (Statistical Package for Social Sciences) software for Windows release 20.

DISCUSSION

4.1. The Influence of Advertising Strategy, Sales Promotion and Personal Selling on Usage Decisions

The results showed that the variables Advertising Strategy, Sales Promotion and Personal Sales had a positive and significant effect on the decision to use credit cards for customers of PT BNI (Persero) Tbk Manado Region. These results are in accordance with the theory which states that there is a positive relationship between Advertising Strategy, Sales Promotion and Personal Selling on usage decisions. This means that if these three variables increase, the decision to use will also increase and vice versa *ceteris paribus*. The advertising strategy is able to attract customers with attractive advertisements coupled with sales promotions offered as well as personal sales directly to customers which are very able to attract customers to use the products offered.

4.2. The Influence of Advertising Strategy on Usage Decisions

The results showed that the advertising strategy variable had a positive and significant effect on the decision to use credit cards for customers of PT BNI (Persero) Tbk Manado area. These results are consistent with the theory which states that there is a positive relationship between advertising strategy and usage decisions. That is, if the advertising strategy is improved, the decision to use will also increase and vice versa *ceteris paribus*. Shimp (2010) says that a paid advertisement, mediated in the form of a communication from an identifiable source, is designed to persuade the recipient of the message to take some action, now or in the future. The results of this study are the same as research conducted by Akbar et al (2019) with the title "Analysis of the Effect of Sales Promotion and Advertising on the Use of Bank Mandiri Credit Cards in Palembang City" which states that advertising has a positive and significant effect on increasing credit card usage at Bank Mandiri. In accordance with research conducted that advertising strategy is able to attract customers so that with increasing advertising strategy, the decision to use credit cards for customers of PT BNI (Persero) Tbk Manado area also increases.

4.3. Influence of Sales Promotion on Usage Decision

The results showed that the sales promotion variable had a positive and significant effect on the decision to use a credit card at PT BNI (Persero) Tbk's customers in the Manado area. These results are in accordance with the theory which states that there is a positive relationship between sales promotion

and usage decisions. This means that if sales promotions increase, the decision to use credit cards for BNI customers also increases and vice versa *ceteris paribus*. Sales promotion is one of the promotion mix. Kotler and Keller (2009) state that sales promotion consists of a collection of incentive tools, mostly short term, designed to stimulate quicker or greater purchase of certain products or services by consumers or trade. The results of this study are the same as the research conducted by Ibrahim Bazergan et al (2021) with the title "The Influence of Promotional Mix on Customer Savings Decisions" which shows that advertising, personal selling, and sales promotions all have a positive and significant effect on customer decisions, both individually and collectively. partial or simultaneous.

4.4. Influence of Personal Selling on Usage Decision

The results of the study show that the personal selling variable has a positive and significant effect on the decision to use a credit card at PT BNI (Persero) Tbk's customers in the Manado area. These results are consistent with the theory which states that there is a positive relationship between personal selling and usage decisions. This means that if personal sales increase, the decision to use credit cards for customers of PT BNI (Persero) Tbk Manado area also increases and vice versa *ceteris paribus*. In the promotion mix, one of the strategies in increasing usage decisions is personal selling where personal selling is a form of communication that is carried out directly (face to face) between the seller and prospective customers which aims to introduce the benefits of a product / service to prospective customers so that an agreement is formed. customer understanding of the product / service, so it is hoped that the desire will arise to try and buy the product / service. According to Sangadji and Sopiah (2013), personal selling is an oral presentation in a conversation with one or more prospective buyers aimed at creating sales. Meanwhile, according to Ardianto (2015), Face-to-face selling is one of the variables in the marketing mix that is carried out orally to one or more prospective buyers with the aim of creating a transaction. In face-to-face selling, the promotion tool is human and this is very important for companies to do to offer their products. The results of this study are the same as the research conducted by Rachmat Tri Yuli Yanto, et al (2020) with the title "The Influence of Personal Selling on Sales Achievement in Subsidized Mortgage Financing Products at Bank BTN Syariah Bandung" which states that personal selling has a significant effect on the achievement of subsidized mortgage sales. at Bank BTN Syariah. Likewise with the results of this study where personal selling is very influential on a person's decision to use a credit card.

CONCLUSION

1. The results showed that the variables of advertising strategy, sales promotion and personal selling had a positive and significant effect on Credit Card Usage Decisions for Customers of PT BNI (Persero) Tbk Manado Region.
2. The results showed that the advertising strategy variable had a positive and significant effect on Credit Card Usage Decisions for Customers of PT BNI (Persero) Tbk Manado Region.
3. The results showed that the sales promotion variable had a positive and significant effect on Credit Card Usage Decisions for PT BNI (Persero) Tbk Customers in Manado Region.
4. The results of the study show that the personal selling variable has a positive and significant effect on the Credit Card Usage Decision for Customers of PT BNI (Persero) Tbk Manado Region

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