



The Effect of Social Media Marketing Instagram and Price on Purchasing Decisions @Rumahbatik.Palbatu

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ABSTRACT

This study examined the influence of marketing through Instagram social media and price on consumer purchasing decisions at Rumah Batik Palbatu. In the context of the local batik business in Indonesia, especially facing price competition with Chinese batik imports, Rumah Batik Palbatu faces the challenge of significant sales fluctuations. Therefore, this study aims to provide in-depth insight into how marketing through Instagram social media and product prices can influence consumer purchasing decisions. This study uses a descriptive method with a quantitative approach. The data sampling technique used is probability sampling with a simple random sampling technique, and the data obtained are processed using multiple linear regression analysis techniques. The results of this study include: (1) SPSS analysis shows that social media marketing has no significant effect on purchasing decisions at Rumah Batik Palbatu, with a partial test value of 0.400 and a significance probability of 0.690, rejecting H1 and accepting H0; (2) Price has a positive and significant influence on purchasing decisions at Rumah Batik Palbatu based on the results of the analysis using SPSS 27, with a t-value of 4.029 and a significance probability of 0.00, which indicates that the alternative hypothesis (H2) is accepted, and the null hypothesis (H0) is rejected; (H3) Social media marketing and price simultaneously have a positive and significant influence on purchasing decisions at Rumah Batik Palbatu MSMEs, which is supported by the results of the F test with a simultaneous test value of 31.276 and a significance probability of 0.001.

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1. INTRODUCTION

Today, the commercial world is developing rapidly and significantly impacting the industrial sector at the national and international levels. One important aspect associated with this progress is the export and import of commodities. While the ease of conducting international trade benefits parties and entrepreneurs, it also brings its impacts. In Indonesia, the Unitary State of the Republic of Indonesia continues to export and import commodities to various countries. Data from the Central Bureau of Statistics show that around 71.69% of Indonesia's import needs are supplied from ten main countries, with China as the dominant country with the largest share ([Badan Pusat Statistik, 2022](#)).

One of the industrial sectors affected by this development is the batik industry. Batik import data shows significant growth from 2020 to 2022 ([Pusdatin Kemenperin, 2023](#)). However, the significant price difference between imported batik, especially Chinese batik, and local batik is a serious problem for the batik industry regarding price competition ([Andriana & Septiana, 2020](#)). Despite efforts such as labelboughing Chinese batik products and increasing consumer awareness, these solutions have yet to have a significant impact ([Andriana & Septiana, 2020](#)).

One of the affected batik businesses is Rumah Batik Palbatu, an educational tourism and batik production house that involves people with disabilities and cancer fighters in its batik production process. However, Rumah Batik Palbatu faces high sales fluctuations and needs help reaching its turnover target. To overcome this, the business has used marketing through Instagram social media, but it has yet to achieve the expected effectiveness.

Along with technological advances, the transformation of traditional marketing activities into marketing on a smartphone ([Purwaamijaya et al., 2022](#)). Based on an interview with the owner, marketing through Instagram social media has been done. However, until now, it still needs to be more effective. So it is necessary to find out how effective marketing through Instagram social media.

In this study, social media marketing and product price are important variables because they are vital in purchasing decisions. With the development of technology and the popularity of social media as a marketing tool, companies are increasingly realizing the importance of utilizing it. In addition, product price is also an important factor in consumer purchasing decisions, especially in situations of intense competition. Therefore, research is needed to measure the influence of Instagram social media marketing and price on consumer purchasing decisions at Rumah Batik Palbatu. This research is expected to provide in-depth insight into the influence of Instagram social.

Gunelius Susan (2011:3) defines social media marketing as the utilization of social media platforms to promote products or services and establish connections with customers and potential audiences. Through social media marketing, businesses can gather valuable information from customers and potential audiences, enabling them to make more informed and precise business decisions.

Moreover, price, as explained by [Kotler Philip & Armstrong Gary \(2011:345\)](#), represents the monetary value assigned to a product or service. It signifies the amount consumers are required to pay in order to acquire or derive benefits from the product or service.

In relation to purchasing decisions, [Keller Kevin Lane & Kotler Philip \(2018:158\)](#) emphasize that these decisions reflect an individual's mindset in selecting, obtaining, utilizing, and assessing products, services, ideas, or experiences that satisfy their wants and needs.

2. METHODS

This study uses a descriptive method with a quantitative approach to examine the effect of Instagram social media marketing and price on purchasing decisions at UMKM Rumah Batik Palbatu. This method aims to present the facts systematically and accurately (Hardani et al., 2020). The data used are numbers that will be measured using statistics (Sugiyono, 2020). The ultimate goal is to measure the influence of Instagram social media marketing and price on purchasing decisions at Rumah Batik Palbatu MSMEs.

In this research, the population defined is the Instagram account followers @rumahbatik.palbatu, with a general population of approximately 2,860. The sample size of 97 respondents was determined using probability sampling, specifically simple random sampling, to ensure a representative population representation. Sampling techniques aim to select an appropriate sample size that accurately represents the population's characteristics and distribution (Hardani et al., 2020). In this case probability sampling was chosen to achieve this goal.

This study uses multiple linear regression analysis to understand how two independent variables influence the dependent variable. The independent variables are Social Media Marketing (X1) and Price (X2), while the dependent variable is Purchase Decision (Y). By using SPSS software, we can analyze the relationship between these variables (Sugiyono, 2019). The analysis includes hypothesis testing, partial tests (T-test), simultaneous tests (F-test), and the coefficient of determination (R^2) analysis. These analyses help us understand the individual and overall effects of the independent variables on the dependent variable, as well as the model's explanatory power (Darwin Muhammad et al., 2021).

3. RESULTS AND DISCUSSION

3.1. Characteristics of Respondents

Based on the table 1 below, 109 respondents were divided between male and female respondents, with more female respondents than males. There are 59 female respondents, with a percentage of 54%, and 50 male respondents, with 46%.

Table 1. Characteristics of Respondents Based on Gender.

Characteristics of Respondents		Frequency	Percentage (%)
Gender	Male	50	45,9
	Female	59	54,1
Total		109	100

Table 2. Characteristics of Respondents Based on Domicile.

Characteristics of Respondents		Frequency	Percentage (%)
Domicile	Central Java	19	17.4
	West Java	32	29.4
	DKI Jakarta	46	42.2
	East Java	11	10.1
	Tangerang	1	0.9
Total		109	100

Based on the table 2 above, out of 109 respondents, consisting of respondents who live in DKI Jakarta, West Java, Central Java, East Java, and Tangerang, more respondents from DKI Jakarta than respondents from other regions. There were 46 respondents from DKI Jakarta, with a percentage level of 42%, followed by 32 respondents from West Java, with a percentage level of 29%. Then, 19 respondents or 18%, came from Central Java. Then, with a percentage of 10%, 11 respondents came from East Java. Finally, one respondent came from Tangerang, with a percentage of 1%.

Table 3. Characteristics of Respondents Based on Age.

Characteristics of Respondents		Frequency	Percentage (%)
Age	Less than 20 years	8	7.3
	20-30 years	64	58.7
	31-40 years	23	21.1
	41-50 years	10	9.2
	More than 50 years	4	3,7
Total		109	100

Based on the table 3 above, 109 respondents are of various ages, with respondents aged 20-30 years more than others. There are 64 respondents aged 20-30 years with a percentage of 59%, 23 respondents aged 31-40 years with a percentage of 21%, 10 respondents aged 41-50 years with a percentage of 9%, 8 respondents aged less than 20 years with a percentage of 7%, and the remaining 4 respondents aged over 50 years with a percentage of 4%.

Table 4. Characteristics of Respondents Based on Income.

Characteristics of Respondents		Frequency	Percentage (%)
Income or allowance per month	IDR 1,000.001 - IDR 3,000,000	22	20.2
	≤ IDR 1,000,000	19	17.4
	IDR 3,000.001 - IDR 5,000,000	45	41.3
	IDR 5,000.001 - IDR 10,000,000	23	21.1
	> IDR 10,000,000	0	0.0
Total		109	100

Based on the results of distributing questionnaires, it is known that 45 people or 41% of 109 respondents, have an income or pocket money of Rp 3,000,001 - Rp 5,000,000.00 per month. Then there are 23 people, or around 21%, who have an income or pocket money per month of IDR 5,000,001 - IDR 10,000,00. Then there are 22, or around 20%, who earn between Rp 1,000,001 - Rp 3,000,000.00 monthly. The number of respondents with an income or pocket money of less than Rp 1,000,000.00 per month was 19 people, or around 18%.

Table 5. Characteristics of Respondents Based on Ever Purchase.

Characteristics of Respondents		Frequency	Percentage (%)
Have you ever purchased batik products at Palbatu Batik House?	No	28	25.7
	Yes	81	74.3
Total		109	100

Based on the table 5 above, 109 respondents are divided between respondents who have bought and never bought, with respondents who have bought more than those who have never bought. 81 respondents have bought a percentage of 74%, and 28 respondents have never bought a percentage of 26%.

Table 6. Characteristics of Respondents Based on the Number of Product Purchase.

Characteristics of Respondents		Frequency	Percentage (%)
Purchase frequency	1-3	40	36.7
	4-6	28	25.7
	7-10	13	11.9
	Never	28	25.7
Total		109	100

The researcher also wanted to know how often the respondents had bought batik products from Rumah Batik Palbatu. Based on the questionnaire filled out by 109 respondents, the majority of respondents, as many as 37% or 40 people, bought batik products from Rumah Batik Palbatu 1-3 times. They were followed by 29 or 26% who had never bought. Underneath are 27 or 25% who made purchases 4-6 times. Then there are only 13 people, or 12%, who behavave bought batik products from Rumah Batik Palbatu 7-10 times.

3.2. Classical Assumption Test

1. Normally Test

The normality test checks if the residuals in the regression model have a normal distribution. In this study, the test used the Probability Plot and Kolmogorov-Smirnov techniques. If the results are good, it means the residuals are normally distributed. Here are the normality test results.

Digital campaigns have a t-count value of -1,205, this value is smaller than the t-table value, which is 1,662, so it can be concluded that digital campaigns do not affect individual purchasing decisions. Purchase intention has a calculated t value of 7,943, which is greater than the t table value of 1,662 so it can be concluded that purchase intention influences individual purchasing decisions.

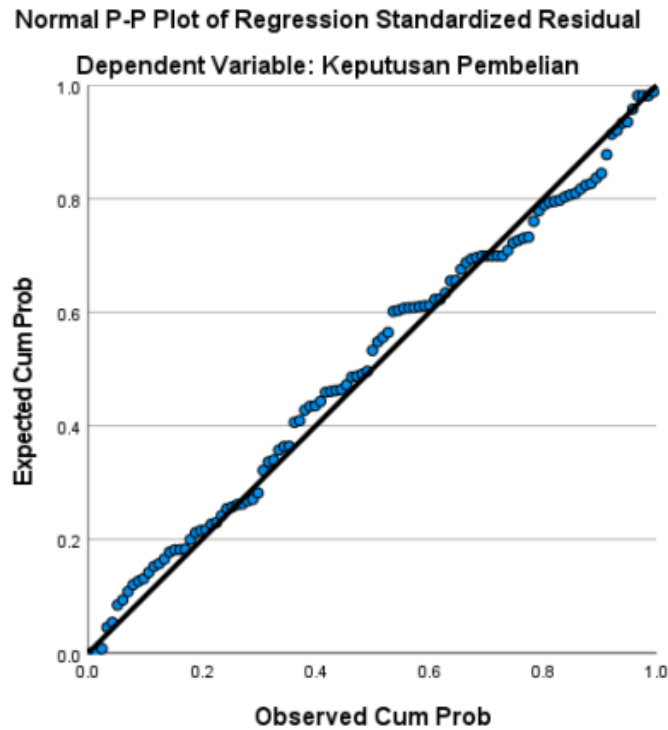


Figure 1. P-Plot Normality Test Result.

2. Multicollinearity Test

Referring to the presented table the multicollinearity test shows a tolerance value of 0.305, which is above the threshold of 0.1. This indicates the absence of multicollinearity. Additionally, the VIF value in this study is determined as 3.279, which is below the threshold of 10. Therefore, it can be concluded that the regression model in this study is considered valid as there is no observed correlation among the independent variables.

Table 7. Multicollinearity Test Result.

Model	Coefficients ^a		
	Sig.	Tolerance	VIF
Social Media Marketing	0,690	0,305	3,279
Price	0,000	0,305	3,279

3. Heteroscedasticity Test

Based on the table, the heteroscedasticity test conducted on the social media marketing variable showed a significance value of 0.558, and the test on the price variable resulted in a significance value of 0.917. Both values are greater than 0.05, indicating no heteroscedasticity

issue. The regression model used in this study is considered satisfactory as it does not show varying residual variances across different observations.

Table 8. Heteroscedasticity Result.

Spearman's rho		Unstandardized Residual
	Social Media Marketing	Sig. (2-tailed) 0,558
	Price	Sig. (2-tailed) 0,917

3.3. Hypothesis Test

1. Multilinear Regression Analysis

The regression analysis reveals that the constant value (a) is 13.372, indicating that when the variables of social media marketing and price are both zero, the purchase decision is estimated to increase by 13.372. Furthermore, the regression coefficient for social media marketing (X1) is 0.071, suggesting that a 1% increase in social media marketing influences the purchase decision to rise by 0.071, assuming other variables are not considered. Similarly, the regression coefficient for price (X2) is 0.882, meaning that a 1% increase in price leads to a 0.882 increase in the purchase decision, assuming other variables are not examined.

2. Partial Test

The analysis shows that there is no significant influence of Instagram social media marketing on purchase decisions at Rumah Batik Palbatu, as indicated by the calculated values of probability ($0.690 > 0.05$) and t-value ($0.400 < 1.659$). However, there is a significant influence of price on purchase decisions, with a probability value ($0.00 < 0.05$) and t-value ($4.029 > 1.659$) supporting the hypothesis.

3. Simultaneous Test (F Test)

Based on the observed values of significance probability ($0.000 < 0.05$) and the computed F-value ($31.276 > 3.08$), it can be concluded that the hypothesis of the influence of Instagram social media marketing and price on purchasing decisions at Rumah Batik Palbatu is accepted.

4. Uji Koefisien Determinasi (R^2)

The R Square coefficient of 0.359 indicates that around 35.9% of the purchase decision variation is explained by the combined influence of Instagram marketing and price. The remaining 64.1% is influenced by other factors not considered in this study.

4. CONCLUSION

1. There is no significant influence between Instagram social media marketing and purchasing decisions for consumers of Rumah Batik Palbatu.
2. Price has a positive and significant influence on purchasing decisions for consumers of Rumah Batik Palbatu.
3. Instagram social media marketing and price simultaneously have a positive and significant influence on purchasing decisions for Rumah Batik Palbatu consumers.

Thus, the price factor is more dominant than Instagram social media marketing in influencing consumer purchasing decisions at Rumah Batik Palbatu. Therefore, Batik Palbatu needs to ensure that the price factor positively and significantly influences consumer purchasing decisions.

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