

ARTICLE

The Influence of Promotion and Reputation on Purchase Decisions of Pegadaian Gold Saving Products (Study on Customers of Syariah Gold Savings Account, Pegadaian Syariah Bandar Lampung Branch)

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Abstract: Gold is considered an investment with relatively low risk and its value is almost always profitable because it is an investment object whose value tends to increase, thereby increasing public interest in investing in gold. Pegadaian Syariah, which is part of PT. Pegadaian, has innovated by releasing a product called Gold Savings with the aim of facilitating people who want to own gold at an affordable price and with minimal capital by saving. However, in recent years there has been a decrease in the number of Gold Savings customers at the Radin Intan Sharia Pawnshop which was influenced by the promotion factors carried out and the company's reputation. So that, in this study discusses promotion and reputation on customers' decisions to buy Gold Savings products at the Radin Intan Sharia Pegadaian Branch using the nonprobability sampling method using the Purposive Sampling method category, with a total sample of 140 respondents. This study uses multiple linear regression analysis and partial hypothesis testing (t-test). The results obtained in this study indicate that promotion and reputation have a positive and significant effect on purchasing decisions for Gold Savings products at the Radin Intan Branch Sharia Pawnshop with a total sample of 140 respondents. This study uses multiple linear regression analysis and partial hypothesis testing (t-test). The results obtained in this study indicate that promotion and reputation have a positive and significant effect on purchasing decisions for Gold Savings products at the Radin Intan Branch Sharia Pawnshop with a total sample of 140 respondents. This study uses multiple linear regression analysis and partial hypothesis testing (t-test). The results obtained in this study indicate that promotion and reputation have a positive and significant effect on purchasing decisions for Gold Savings products at the Radin Intan Branch Sharia Pawnshop.

Keywords: Promotion, Reputation, Purchase Decision, Pegadaian Gold Savings, Pegadaian Syariah.

1. Preliminary

Gold is considered an investment with relatively low risk and its value is almost always profitable because it is an investment object whose value tends to rise. The price of gold, which fluctuates and tends to increase, causes investment in the precious metal gold to become more profitable because gold is said to have zero inflation (Maharani, 2020). One of the advantages of investing in gold is that it can be used quickly and has so many financing facilities available.

PT. Pegadaian is a BUMN (State Owned Enterprise) in Indonesia whose core business is in the field of gold, both pawning and selling/buying. Sharia Pawnshop which is part of PT. Pawnshops, besides providing pawning services, they offer a product in the form of savings or gold ownership in installments. Pegadaian Syariah has innovated by issuing a Gold Savings product at the end of 2015. This product has the

aim of facilitating people who want to buy gold at an affordable price and with minimal capital by saving money starting from 0.01 grams of gold, or equivalent to a nominal approximately Rp. 10,000.

Customers can make transactions using an application called Pegadaian Digital Syariah which is the latest innovation service issued by Pegadaian Syariah to make it easier for customers to make transactions without having to come directly to the Pegadaian unit/branch office. The Pegadaian Digital Syariah application can be accessed through Google Playstore or the App Store with several excellent features in the form of New Opening of Pawnshop Gold Savings Accounts, to Purchase (Top Up) of Pegadaian Gold Savings.

The following is the number of Gold Savings customers at the Radin Intan Sharia Pawnshop Branch:

Table 1. Data on the Number of Active Gold Savings Customers of the Radin Intan Branch of Sharia Pawnshops

Year	Gold Balance	Number of Active Customers
2018	2488.9459	753
2019	3012.0567	971
2020	3750.4644	1.218
2021	4224.7529	860
2022	4055.7210	801

In 2020, the Radin Intan Branch Sharia Pegadaian had the largest number of customers in the history of the Gold Savings product, this was allegedly because that year the price of gold tended to decline due to the Covid-19 pandemic which caused the price of gold to fall. So that people buy gold when the price is down. However, when the economic situation returns to stability, the price of gold increases so that customers withdraw their Gold Savings balances to cash out/exchange into gold. This led to a decrease in customers and active accounts in the Gold Savings product at the Radin Intan Sharia Pegadaian Branch. Competition is also a factor causing the decline in the number of customers due to the large number of conventional and sharia financing companies that have launched products similar to Gold Savings.

The reduction in the number of customers for Gold Savings products is a challenge for the Radin Intan Sharia Pegadaian Branch to be able to increase the number of customers again by introducing and developing more Sharia Pawnshop products, especially Gold Savings products with promotions being carried out. Promotions are activities that inform product superiority and persuade consumers to buy it. The purpose of promotion is to inform and communicate to

the public about the existence of the product, its benefits, advantages, attributes, price, location and how to obtain it (Steven & Fitria Rina Sari, 2019).

In marketing the gold savings product, the promotions carried out by the Radin Intan Branch Sharia Pegadaian did not use much of the existing promotional media, so that public knowledge of the Gold Savings product was lacking. This also causes the Gold Savings customers to decline.

Most people know that Pegadaian Syariah only provides pawn services. The reputation of Pegadaian Syariah, which is known to the public as a provider of pawn services, often makes people only focus on pawn products. Whereas, Pegadaian Syariah has a lot of products/services.

Herbig, Milewics, and Golden (1994) in Selviana & Istiyanto (2021) explain that reputation is more likely to show the competence and superiority of a product or company compared to its competitors. The company's reputation is a reference for many people in making various kinds of decisions, such as decisions in purchasing products, subscribing, and recommending a company's products to others.

Literature Review

A. Promotion

Kotler and Keller (2016: 47), promotion is an activity that communicates product superiority and persuades target customers to buy it. Promotion according to Kotler and Armstrong (2018: 424) is explained as all kinds of ways that companies use to share information on product advantages and persuade consumers to be willing to choose the product. Promotion is a component used by companies to influence and attract market interest in the products sold by the company.

B. Reputation

According to Kotler (2009: 299) reputation is a strength, which means that a reputation has capabilities outside the company that can add strength to the goods produced by the company. According to the explanation of Whetten & Mackey (2002: 401) (in Jember, nd) corporate reputation is defined as a certain type of feedback received by the organization from stakeholders, regarding credibility and identity claims to an organization.

C. Purchasing Decision Making Process

Kotler and Armstrong (2018: 158) state that consumer purchasing decision behavior focuses more

on the process of purchasing goods and services carried out by end consumers both individually and in households that are used for personal use. Purchasing decision according to Kotler and Keller (2016: 179) is a behavior formed by consumers in choosing the most preferred brand to buy.

Kotler and Armstrong, (2018: 175) in Gunawan (2021) divide the stages of the buying decision-making process into five stages. Figure 1 illustrates the stages in the purchasing decision-making process as follows:

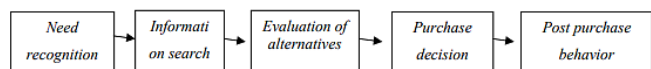


Figure 1. Decision Making Process

The stages of the consumer purchasing decision process can be described as follows:

- 1) *Need recognition* (requirement recognition).
- 2) *Information on search* (information search)
- 3) *Evaluation of alternatives* (alternative evaluation)
- 4) *Purchase decision* (buying decision)
- 5) *Post Purchase behavior* (post purchase behavior)

D. The Effect of Promotion on Purchasing Decisions

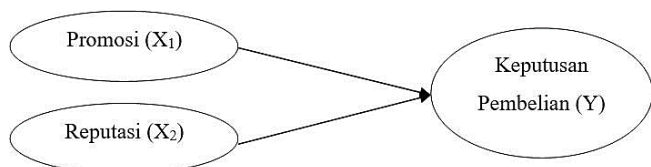
Promotion is one of the determining factors for the success of a marketing program. Regardless of the quality of a product, if consumers have never heard of it and are not sure that it will be useful to them, then they will never buy it. Aprilia et al., (2021) concluded that promotion has a significant effect on purchase decisions, so the hypothesis in this study is:

H1: Promotion has an effect on purchasing decisions

E. The Effect of Reputation on Purchasing Decisions

Company reputation is one aspect of creating a positive influence on potential customers to use a company's products or services. Suryawardana & Yani, (2017) explained that reputation has a significant effect on purchasing decisions. A good reputation owned by the company will increase or accelerate decision making to buy, so the hypothesis in this study is:

H2: Reputation has an effect on purchasing decisions



Figures 2. Framework

2. Research Methods

This study examines the effect of promotion and reputation on purchasing decisions. This research uses a descriptive research type with a quantitative approach. According to Sugiyono (2020) Quantitative research is research which in its analysis is based on numerical data (numbers) and processed through statistical methods. The sample of this research is the customers of the Gold Savings Branch of the Sharia Pawnshop Radin Intan Lampung, amounting to 140 respondents.

A. Research Instrument Test

Test This research instrument uses validity and reliability tests. Validity test is a measure that shows the level of validity or validity of an instrument. An instrument is said to be valid if it can reveal data from the variables studied. (Ridian et al, 2011: 194) Reliability test is a tool for measuring a questionnaire which is an indicator of a variable or construct (Sanusi, 2014: 81). To assess reliability, the Alpha Croanbach formula is used which is calculated using SPSS Version 26. An instrument is said to be reliable if the value of Croanbach's Coefficient Alpha > 0.6 and Croanbach's Alpha if items deleted < Croanbach's Coefficient Alpha.

B. Data analysis technique

This study uses qualitative and quantitative analysis techniques, qualitative analysis is used to provide a descriptive picture of the responses given by respondents to the questionnaire or list of statements given and connected with marketing theory or approaches related to the influence of promotion and reputation on purchasing decisions for Savings products Gold at the Radin Intan Branch Sharia Pawnshop. Quantitative analysis is research in which the method of data processing is calculated using systematic analysis using the help of IBM SPSS statistics version 26 software. In this study using multiple linear regression tests. Multiple linear regression test is used to check the strength of the relationship between the independent variables and the dependent variable.

C. Hypothesis test

The t test is used to analyze the effect of the independent variables on the dependent variable partially. The results of the t test can be seen from the SPSS output results. If tcount is greater than ttable and the significance level (p-value) is less than 5% (α : 5% = 0.05), then this indicates that H0 is rejected and H1. This means that there is a significant influence between

the independent variables partially. The t test formula (Nachrowi, 2006: 19). Partial testing of the regression coefficients partially uses the t-test at a confidence level of 95% and an error rate in the analysis (α) of 5% with the condition that the degree of freedom (df) = nk-1, where n is the sample size, k is the number of variables.

The coefficient of determination (R²) is used to measure how far the model's ability to explain variations in the dependent variable, in this study, is the customer's decision variable. The value of the coefficient of determination is between zero and one, if the R² value is small or close to zero then the variation of the dependent variable is very limited. Meanwhile, if the R² value is large or close to one then almost all the information needed to predict the dependent variable (Ghozali, 2011: 97).

3. Results and Discussion

Table 1. Characteristics of Respondents

Characteristics	Amount	Percentages
Gender		
Man	55 people	39,3
Woman	85 people	60,7
Age		
18-25 Years	13 People	9,3
26-30 Years	26 People	18,6
31-60 Years	94 People	67,1
>61 Years	7 People	5
Work		
Entrepreneur / Entrepreneur	35 People	25
Public/Private Workers	57 People	40,7
PNS/TNI/Polri	19 People	13,6
IRT	19 People	13,6
Student	7 People	5
Retired	3 people	2,1
Entrepreneur / Entrepreneur	35 People	25
Public / Private Workers	57 People	40,7

Based on the descriptive statistics table above, the research sample was dominated by women aged 31-60 years with public/private worker professions.

3.1. Multiple Linear Regression Test

This study uses a multiple linear regression analysis approach to determine the effect of promotion and reputation on purchasing decisions for Gold Savings products at the Radin Intan Branch Sharia Pawnshop. For n, there are 140 respondents and a confidence level of 95% or ($\alpha = 0.05$).

Table 3. Results from Multiple Linear Analysis

Model	Coefficients ^a			Q	Sig.
	Unstandardized Coefficients	Standardized Coefficients			
	B	std. Error	Betas		
(Constant)	4,423	1.101		4,017	.000
1 Promotion (X1)	.332	077	.342	4,299	.000
Reputation (X2)	.589	094	.501	6,284	.000

a. Dependent Variable: Purchase Decision (Y)

Based on the results of the regression calculation above, the promotion (X1) and reputation (X2) variables show that each variable has a positive and significant coefficient value. This means that the better the promotion (X1) that is carried out and the reputation (X2) that is owned, it will have an influence on the purchasing decision (Y) of the Gold Savings product at the Radin Intan Sharia Pawnshop Branch.

3.2. Partial Test (t test)

Partial hypothesis testing is used to determine the significant effect of the independent variable on the dependent variable partially by using the t test with $\alpha = 0.05$. Table 4.11 shows the results of the t-test calculated using SPSS Statistics Version 26.

Table 4. T-test results

Variable	t count	t table	Sig.	Information
H1: Promotion has a positive influence on purchasing decisions	4,299	1.97743	0.000	Haha accepted
H2: Reputation has a positive influence on purchasing decisions	6,284	1.97743	0.000	Haha accepted

Based on table 4, the hypothesis testing that has been carried out states that the promotion (X1) and reputation (X2) variables have a positive and significant influence on the decision to purchase the Gold Savings product at the Radin Intan Sharia Pawnshop Branch.

3.3. Determination Coefficient Test (R²)

The value of the coefficient of determination is between zero and one. A value close to one means that the independent variable provides almost all the information needed to predict variation in the dependent variable (Ghozali, 2016). The value used in this study is the R value, because this value can increase or decrease if one independent variable is added to the model being tested. R values can be seen in the table 5.

Table 5. Determination Analysis (R2)

Summary models				
Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.792a	.627	.622	1.89200

a. predictors: (Constant), Reputation (X2), Promotion(X1)

Table 5 shows the results of testing the coefficient of determination (R2) in this study, it was found that the value of the coefficient of determination or the influence of the promotion variable (X1) and reputation (X2) has an effect on the purchase decision (Y) of $R^2 = 0.627$, this means the contribution of the promotion variable (X1) and reputation (X2) play a role in influencing each purchasing decision variable (Y) by 62.7% while the remaining 37.3% is influenced by other factors not explained in this study.

3.4. Discussion

Based on the questionnaire that was distributed in this study, out of 140 respondents it was shown that the most respondents were female respondents at 60.7% and the rest were male at 39.3%. This identified that more female customers opened a Gold Savings account at the Radin Intan Sharia Pegadaian Branch. In addition, the results of the study showed that the majority of respondents were in the age range of 31-60 years by 67.1% and the majority of the respondents' jobs in this study were civil servants/private employees by 40.7%. It can be concluded that female respondents with an age range of 31-60 years who have jobs as civil servants prefer gold-based savings because they can be used as investments in the future.

In this study, there are two independent variables and one dependent variable, namely promotion (X1), reputation (X2), and purchasing decision (Y). Where are the promotion and reputation variables that influence the purchasing decision of the Gold Savings product at the Radin Intan Sharia Pawnshop Branch.

A. The Influence of Promotion on Purchase Decisions for Gold Savings Products at Radin Intan Branch Sharia Pawnshops

Based on the results of the partial test (t test) conducted, the results show that promotion (X1) has a t count $>$ t table ($4.299 > 1.97743$) with a significance of $0.000 < 0.05$, which means H_a is accepted. It can be concluded that promotion partially has a positive and significant effect on purchasing decisions for Gold Savings products at the Radin Intan Branch Sharia Pawnshop.

The results of this study are strengthened by previous research conducted by Re Minta Lumban

Batu, Cindy Monica (2019) which shows that promotions have a positive and significant effect on purchasing decisions.

B. The Influence of Reputation on the Decision to Purchase Gold Savings Products at the Radin Intan Sharia Pawnshop Branch

Based on the results of the partial test (t test) conducted, the results show that promotion (X1) has a t count $>$ t table ($6.284 > 1.97743$) with a significance of $0.000 < 0.05$, which means that H_a is accepted. It can be concluded that reputation partially has a positive and significant effect on purchasing decisions for Gold Savings products at the Radin Intan Branch Sharia Pawnshop.

The results of this study are strengthened by previous research conducted by Suryawardana & Yani (2017) which shows that reputation has a positive and significant effect on purchasing decisions.

4. Conclusion

Based on the results of the analysis and discussion, it can be concluded that the initial hypothesis which states that there is an influence of promotion and reputation has a significant positive effect on the purchase decision of the Gold Savings product at the Radin Intan Branch Sharia Pawnshop, can be accepted with the following description:

- Promotion has a positive and significant effect on the decision to purchase Gold Savings products at the Radin Intan Branch Sharia Pawnshop, especially for the promotion reach indicator which means the broad promotional range of the Radin Intan Branch Sharia Pawnshop attracts many customers to know more about the Gold Savings product so as to make a purchase decision.
- Reputation has a positive and significant effect on the decision to purchase Gold Savings products at the Radin Intan Branch Sharia Pawnshop, especially for customer focus indicators and informative indicators on customers which means that these two indicators affect the reputation of the Radin Intan Branch Sharia Pawnshop so that customers make decisions about purchasing Gold Savings product.

Suggestion

Based on the conclusions that have been obtained, the researcher provides input as follows:

- The Radin Intan Branch Sharia Pegadaian as a provider of Gold Savings products should continue

to improve and maintain the promotions carried out by continuing to follow technological developments in promoting Gold Savings so that the Radin Intan Branch Sharia Pawnshops are not outdated and continue to innovate on the product itself.

2. The Radin Intan Branch Syariah Pegadaian in its reputation must maintain the good name of the company by providing service and loyalty to its customers. So that when the Radin Intan Branch Sharia Pegadaian issues a new innovation for Gold Savings products, customers will give full trust to the company. This will benefit the Pegadaian itself because it has won the trust of customers.
3. For other researchers, it is hoped that this research can help develop further research. Researchers suggest adding other variables that are not listed in this study, so that more thorough research results are obtained regarding the decision to purchase Gold Savings products at the Radin Intan Branch Sharia Pawnshop.

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