

Promotion Mix and Investment Decision

Evi Husniati Sya'idah, Oki Bagus Satrio, and Nanin Sugiarti
Health Sciences Faculty, Kadiri University, Jl.Selomangleng No.1 Kediri, Indonesia
evihusniati@unik-kediri.ac.id

Keywords: Promotion mix, investment decision.

Abstract: This study is aimed at knowing the implementation of 5 variables promotion mix (advertising, sales promotion, public relation, personal selling, direct marketing) in influencing investment decision made by sun life finance customers in Indonesia. This study uses qualitative method. Interview and observation are used as the technique of data collection. To test the validity of the data, the researcher uses triangulation method. The result of this study shows that 5 variables of promotion mix have already implemented by the agents of sun life finance in influencing investment decision made by sun life finance customers. The implementation of promotion mix has done by sun life finance agents, they are advertising through social media, sales promotion through give away present, public relation through talk show, direct selling through face to face meeting with customers, and direct selling through telephone and email. Thus, it can be inferred that the most effective of promotion mix implementation in influencing investment decision made by sun life finance customers is personal selling since it is easier for the agents to identify whether or not the customers are interested in the product. Moreover, the agents can directly ask what customers' needs and advantages from the product.

1 INTRODUCTION

Insurance, for some Indonesian people, is very important to assure of their life and property. People as the candidate of insurance customers will be more selective in joining life insurance. The similarity of every product in many insurance companies needs an interesting strategy to attract customers. In accordance with that situation, it is very important to consider many strategies and policies that are developed by the insurance company to enhance its customers.

The implementation of promotion mix is expected to successfully attract the purchasing interest of a certain product. The concept of promotion mix consists of 5 elements: advertising (all percentage of non-personal and promotion idea of goods and services done by the selected sponsor), sales promotion (long term incentive done to force product buying), public relation (programs designed to promote and protect the company image or product), personal selling (direct interaction with customers in order to sell products), direct marketing (the use of letter, telephone, or other connection devices to communicate or obtain response from the customers) (Kotler dan Armstrong 2008).

The result of the research conducted by Indumathi (2016) and Gilaninia (2013) identify that product factor gives more impact to buying decision done by customers rather than other factors, such as price, place, and promotion. Moreover, the company product must be consistent with benefit and advantage expected by customers. The research done by Satit (2012) shows that product and price have significant correlation toward customers' decision making on using service from travel agent. The research of Octaviani (2014) shows that the variables of marketing mix which have a significant impact toward fruit juice buying in Bandar Lampung are product and price. Meanwhile, the research of Mihart (2012) shows that integrated marketing communication has an influence towards buying decision especially on introducing product, searching info, alternative evaluation, and evaluating after buying done by the customers.

Hence, this research is aimed at knowing the implementation of promotion mix on insurance company of Sun Life Finance in one of the cities of Indonesia in attracting customers' investment decision.

2 METHOD

This study uses descriptive qualitative method. The researcher focuses on the implementation of promotion mix employed by sun life insurance agents. Technique of data collection used in this study is interview and observation. To the test the validity of the data, the researcher uses triangulation method. The subject of this study is sun life insurance agents in one of the cities in Indonesia. To choose the research subject or informants, the researcher uses purposive sampling technique. The researcher defines some criteria of the informants: they work as the official agents of sun life insurance, they have different position in the company but have to have the same vision, and the agents is not in the level of newbie.

3 RESULTS AND DISCUSSION

Promotion mix is one of the strategies used by insurance agent of sun life finance in affecting and attracting customers' decision.

a) Advertising

Based on the interview and observation, advertising activity done by insurance agent in informing insurance product to the people is through Facebook and Instagram since those two media is so popular among people recently. The feature offered by the agent in social media becomes a selling point and give knowledge to the people about the importance of insurance. Using Facebook and Instagram are considered cheap and effective.

Advertising activity done by the agents of Sun life finance has already been suitable with the objective of advertising: giving information, persuading, and recalling (Hermawan, 2012).

b) Sales promotion

Sales promotion have become a vital tool on the psyche of the consumers' behavior, adaptation to cultural values leads to marketing effectiveness (Chaharsoughi, 2011). Besides increasing the purchasing behavior, sales promotion is effective in affecting the brand switching behavior of the consumers (Chandon et al., 2000). In accordance with that theoretical perspective, promotions that are trying to give by the agents of Sun Life finance are direct reward and lottery.

1) Direct Reward

Based on the interview, it is known that the insurance agents give a direct reward during their selling presentation to the customers in order to attract them. The direct reward is given based on the insurance premium bought by the customers. Based on the promotion given by the insurance company, it is known that the product selling is increasing.

2) Lottery

This kind of promotion has its typical attraction to the customers. The lottery given to the customers are car, motorcycle, cellphone, TV, bike, and gold. This promotion will be very interesting for the customers. They can join this lottery if they buy insurance premium for 50 million per year.

c) Public relation

Public relations in its processes play a great role in creating the perception and the image of the company and its products. In other words, public relations communications involve attempts to define reality for the targeted publics on whom the product depends (Naumovska, 2016). To achieve that goal, it is known that public relation activity done by the insurance agents is talk show. This talk show describes and also educates the customers about financial planning and its benefits. This activity can make the talk show participants and the customers interested in products offered by the insurance agents. Moreover, it underlines its ability to communicate and interact to the public on a very specific, intimate level that provides the modern public the most desiring concept: credibility and trust.

d) Personal selling

Based on the interview and observation, the insurance agents sell through direct selling (face to face) to the customers. Agents listen to customers' needs so that products offered are suitable. Besides, the insurance agents are also arranging presentation in school, government institution, and other private companies. After having presentation, the agents try to do a follow up activity to the customers. They come to the customers' house or office. By doing so, the customers are more open receive information; eventually, they want to buy insurance product offered by agents. This strategy is the most effective one in persuading customers to make a buying decision.

Personal selling can be a connection between company and its customers. It learns the customers' needs and works with marketing and

non-marketing officers in the company to create bigger customers' value (Kotler dan Armstrong, 2008).

e) Direct marketing

Insurance agents use direct marketing through some media, such as email, telephone, chatting, and brochure. In doing so, first, agents do a broadcast message in BBM or WhatsApp. The broadcast is sent to the targeted customers. This broadcast is done just to inform the insurance products. After doing so, the agents call up the customers via phone. If the customers are interested in the product, the agents will offer a brochure and do a further product elaboration. This kind of strategy suits some customers that are out of town that makes them are not easy to meet up.

Direct marketing employed by the agents of Sun Life Finance is in line with research conducted by Mirza and Mohsen (2011) stating that direct marketing is a flexible method that could send special message and target in such an effective way.

The marketing activity done by Sun Life Finance agents has been suitable with promotion mix concept. The result of promotion mix done by the agents make many customers get interested in the product. It is also supported by the study done by Nour Mahmud (2014) that shows there is a significant impact of several promotion elements, such as advertising, direct marketing, and sales promotion toward buying decision. Meanwhile, publication and public relation do not have a significant impact toward buying decision. Moreover, research of Sagala Christina (2014) shows that promotion mix and price have a significant influence toward buying decision on fast food industry.

4 CONCLUSION

The most effective implementation of promotion mix employed by Sun life insurance agents in attracting their customers' investment decision is personal selling since it is considered easier to identify whether or not the customers are interested or they can directly ask the customers about their needs or benefits they can obtain from this investment.

ACKNOWLEDGMENTS

The writer wants to thank Kadiri University that facilitates and supports this study. In addition, the writer also wants to thank the research informant who gives a lot of information concerned about the phenomena in influencing customers to invest in insurance company.

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