

# ENCOURAGING CUSTOMERS DECISIONS TO CHOOSE SME LOANS BASED ON SALESPERSON'S COMPETENCE, PROMOTION AND CORPORATE IMAGE WITH MEDIATION OF INTEREST OF SME LOANS CONSUMERS PT. BANK BUKOPIN, TBK JEMBER BRANCH

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## Abstract

***This study aims to analyze the effect of salesperson's competence, promotion, and corporate image on customer purchasing decisions in choosing SME loans at PT. Bank Bukopin, Tbk, Jember Branch which is mediated by customer interest. The results showed that salesperson's competence had a significant effect on customer interest, while promotion and corporate image had no significant effect on customer interest. Salesperson's competence and promotion have a significant effect on purchasing decisions, while corporate image has no significant effect on customer purchasing decisions. Mediation of customer interest also has a significant effect on customer purchasing decisions in choosing SME loans at PT. Bank Bukopin, Tbk, Jember Branch.***

***Keyword: Salesperson's Competence, Promotion, Corporate Image, Interests, Purchasing Decisions***

## 1. INTRODUCTION

The world of banking is a world that is always actively growing and developing. Growth and development can be interpreted as the incessant opening of branch offices or expanding market segments as well as the emergence of new banks that are ready to compete with existing banks. This condition, on the other hand, can be seen as the presence of market potential that needs to be worked on and the need for companies to

increase the volume of their companies to achieve economic conditions.

The tight competition makes the company, in this case the bank, have to be able to formulate the right strategy so that the existing market is maintained and able to target new consumers (Rakhmat, 2020). Maintaining consumer loyalty is one of the company's strategies to survive the existing competitive conditions. Loyal consumers can be understood as company assets to develop and compete with similar companies (Rabiula, et al., 2019).

Providing SME loans at PT. Bank Bukopin, Tbk, Jember Branch has fluctuated, with the portion of the working capital loans facility being greater than the investment loans. The number of SME loans facilities disbursed at PT. Bank Bukopin, Tbk, Jember Branch indicates that the number of MSMEs in Jember is quite large. The increase in the volume of SME loans cannot be separated from the interference of competent human resources, namely salespeople. In addition, there are promotions that can make customers and potential customers decide to use SME loans. The company's image is also the reason customers choose to apply for loans at certain banks.

Salesperson's competence is a form of knowledge possessed by salespeople which will later affect business relationships (Pandjaitan, 2013). Salesperson's competence is more often demonstrated through the solutions they provide in serving their customers. The competence of the salesperson indicates the added value provided to customers (Rachmawati, 2019). This means that the higher the competence of the

salesperson, the higher the added value it provides to the customer. Salesperson's competence is shown by the performance it has produced so far. According to Muhammad, et al (2019) that promotion is a form of direct persuasion to influence customer decision processes. Promotion is essentially a form of marketing communication (Shimp and Andrews, 2013: 23). An important promotion factor in realizing the sales goals of a company can be done through the application of attractive advertising such as the installation of banners, billboards or printed advertisements or brochures that are distributed to various places, providing sales promotion programs that are carried out continuously and through direct marketing, namely building relationships. good with consumers directly in the hope of getting a response and direct transactions from consumers.

The development that is taking place in the banking sector is also very fast, so it is clear that at this time some people have become customers. Promotional activities carried out by companies are expected to function to inform and persuade someone to be interested in buying and to decide to buy or buy sustainably a product or service of a company (Tjiptono, 2015: 21).

A study conducted by DelVecchio (1998) found that the competencies possessed by salespeople can be used or utilized to encourage or convince customers to make purchases.

A company will be considered successful in building a corporate image if it succeeds in creating or building something fun and can succeed in attracting consumer interest, both new and existing customers. People will tend to come or will become customers if they already have a description of what they will experience and feel based on previous transaction experiences or information from competing banks or according to stories from other customers (Bontis and Booker, 2007; Everlin and Dahlan, 2020).

## 2. LITERATURE REVIEW

### 2.1. Salesperson's Competence

Salesperson's competence is a form of knowledge possessed by salespeople which will later affect business relationships (Liu and Leach, 2001; Rajabi, et al., 2018). Salesperson's competence is more often demonstrated

through the solutions they provide in serving their customers. Competency indicators according to Rivai and Sagala (2009: 300) are:

- A. Skills
- B. Knowledge
- C. Social Role
- D. Self Image
- E. Traith
- F. Motive

### 2.2. Promotion

Promotion or advertising is all forms of presenting non-personal communication about ideas, products and services offered by producers, with the intention of influencing consumers to buy the products offered (Maharani and Hapzi, 2019).

According to Kotler and Keller (2016: 172) to measure promotion, the following indicators are used:

- A. Advertising (Advertisement)
- B. Personal Selling (Private Sales)
- C. Sales promotion
- D. Publicity

### 2.3. Corporate Image

Image or image is important for a service. Frederick et. al. (2008) consider image as a reflection of the benefits that consumers get from price, service quality and service innovation. The corporate image according to Jeffkins (2011) in his book Public Relations is the image of an organization as a whole, not just an image of its products or services. The corporate image indicators according to Pasaribu (2015) are as follows:

- A. Personality of the company (Personality),
- B. Reputation owned by the company (Reputation),
- C. The quality that is in the company (Credibility),
- D. The potential or reliability of the company (Reliability),
- E. The trust the company deserves (Trustworthines),
- F. The company's ability to be responsible (Responsibility),

- G. The added value of the company which becomes (Value),
- H. Corporate identity for consumers (Corporate identity).

#### **2. 4. Consumer Interests**

According to Kotler and Keller (2016: 181), consumer buying interest is how likely consumers are to buy a brand or how likely it is for consumers to buy a brand or how likely it is for consumers to switch from one brand to another. Meanwhile, Mittal (1999) found that the function of consumer interest is product quality and service quality. Purchasing interest can be identified through the following indicators: transactional interest, referential interest, preferential interest and explorative interest (Ferdinand, 2002: 25).

#### **2.5. Customer's Decision**

Decision making is a cognitive process that unites emotions, thoughts, information processes and evaluative judgments. The situation in which a decision is made reflects the exact nature of the process in question. For example, the decision to buy a certain type of product by a consumer usually requires effective problem solving. The process may take days with a series of identifiable decisions made at various stages of the decision-making process.

### **3. RESEARCH METHODOLOGY**

This research is a qualitative research based on existing theories and previous research journals.

#### **4. DISCUSSION**

##### **The Effect of Salesperson's Competence on Consumer Interest in Choosing SME Loans at PT. Bank Bukopin, Tbk.**

Salesperson's competence is the communication, presentation and knowledge skills of salespeople to be able to influence consumers to be interested in taking part in insurance (Asiegbu et. Al., 2011). Research by Iskandar (2012) shows that the higher the competence of salespeople, the greater the consumer purchasing decisions. Research results by DelVecchio (1998),

Kusuma (2009), and Asiegbu et. al., (2011) in Iskandar (2012), and Iskandar (2012) which reinforce the concept that all competencies possessed by salespeople can be used or utilized to encourage or convince customers to make purchases.

##### **The Effect of Promotion on Consumer Interest in Choosing SME Loans at PT. Bank Bukopin, Tbk.**

Promotion is essentially a form of marketing communication. What is meant by marketing communication is a marketing activity that seeks to spread information, influence or persuade and or remind the target market of the company and its products to be willing to accept, buy and be loyal to the products offered by the company concerned (Tjiptono, 2015). Hapzi et al. (2018) found that promotion has an effect on consumer interest. In contrast to Hapzi et. al. (2018), Fauziah (2020) found that promotion has no effect on consumer interest. An important promotion factor in realizing the sales goals of a company can be done through the application of attractive advertising such as the installation of banners, billboards or printed advertisements or brochures that are distributed to various places,

##### **The Effect of Corporate Image on Consumer Interest in Choosing SME Loans at PT. Bank Bukopin, Tbk.**

A company will be considered successful in building a corporate image if it succeeds in creating or building something fun and can succeed in attracting consumer interest, both new and existing customers. People will tend to come or will become customers if they already have a description of what they will experience and feel based on previous transaction experiences or information from competing banks or according to stories from other customers (Bontis and Booker, 2007). This shows that the information obtained from old customers can be used as an evaluation material for the image of an insurance company for customers to be combined with their own experiences to then determine their own assessment of the image of a company. Customers who do not experience firsthand will usually get information from advertisements in the media or from other people's stories (Iskandar, 2012). Different findings were conveyed by Lee and Lee (2018) which

stated that corporate image had no effect on consumer purchase interest.

### **The Effect of Salesperson's Competence on Consumer Purchasing Decisions in Choosing SME Loans at PT. Bank Bukopin, Tbk.**

The reason why someone buys a certain product is a very important factor for companies to design service products to suit consumer desires. Companies must increase their sensitivity to environmental changes such as economic conditions that can affect consumer behavior in making purchasing decisions. Research by Iskandar (2012) shows that the higher the competence of salespeople, the greater the consumer purchasing decisions. Research results by DelVecchio (1998), Kusuma (2009), and Asiegbu et. al., (2011) in Iskandar (2012), and Iskandar (2012) which reinforce the concept that all competencies possessed by salespeople can be used or utilized to encourage or convince customers to make purchases.

### **Th Effect of Promotion on Consumer Purchasing Decisions in Choosing SME Loans at PT. Bank Bukopin, Tbk.**

Promotion is the ability of marketing activities to disseminate information about a product, influence or persuade and or remind the target market of the company and its products to be willing to accept, buy and be loyal to the products offered by the company concerned (Tjiptono, 2015). The results of research by Adebisi and Bayode (2011) and Iskandar (2012) reinforce the concept that promotion is communication by marketers who informs and reminds potential buyers about a product to influence an opinion or get a response. If the promotion has its own appeal and gets a good response from the public, it will have a positive effect on buying decisions.

### **The Effect of Corporate Image on Consumer Purchasing Decisions in Choosing SME Loans at PT. Bank Bukopin, Tbk.**

Image is an important part of facing competition in the business environment (Carmeli and Tishler, 2004). A person's perception of an organizational image / perceptual perception is created through all senses:

sight, hearing, smell, touch, taste images and feelings experienced through the use of products, service to consumers, the commercial environment and company communication (Smith, 1995). Husny and Arafah (2020) found that corporate image has no effect on consumer decisions. This result is different from the research of Bontis and Boker (2007);

### **The Effect of Interest on Decisions Consumer Purchases in Choosing SME Loans at PT. Bank Bukopin, Tbk.**

According to Kotler and Keller (2016: 181), consumer buying interest is how likely consumers are to buy a brand or how likely it is for consumers to buy a brand or how likely it is for consumers to switch from one brand to another. Meanwhile, Mittal (1999) found that the function of consumer interest is product quality and service quality. Consumer interest in buying a product is related to the characteristics of a country and its people. The purchasing experience remains attracted to the product, which ultimately leads to repeat purchases. Assael (1995) and Cobb-Walgren (1995) say that buying interest caused by the attractiveness of the product or service being offered is a mentality for consumers to reflect on a product purchase plan for a particular brand. In addition, Mason (1999) also found that an increase in the attractiveness of a product that has been determined can increase the level of consumption. The level of consumption here is the same as consumer buying interest.

## **5. CONCLUSION**

The results showed that salesperson's competence had a significant effect on customer interest, while promotion and corporate image had no significant effect on customer interest. Salesperson's competence and promotion have a significant effect on purchasing decisions, while corporate image has no significant effect on customer purchasing decisions. Mediation of customer interest also has a significant effect on customer purchasing decisions in choosing SME loans at PT. Bank Bukopin, Tbk, Jember Branch. In this study it is also known that the direct effect of salesperson's competence, promotion, and corporate image is greater than the indirect effect on purchasing decisions, so that the mediating role of interest is said to be smaller than



the direct effect of salesperson's competence, promotion, and corporate image on customer purchasing decisions in choosing SME loans at PT. Bank Bukopin, Tbk, Jember Branch.

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