The Influences of People and Local Culture on Purchase Decision Moderated By Social Media Marketing on Traditional Product of MSMEs in East Kotawaringin Regency of Central Kalimantan

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Abstract: The aim of this paper to analyze the influence of people and local culture on purchase decision which is moderated by social media marketing. The research is the descriptive quantitative The research findings are as follows (1). People influences purchase decision with sig. 0.049. (2). Local culture influences purchase decision with sig. 0.001. (3) People and Local culture simultaneously influence purchase decision. F table is 18.770 > 2.87 with sig. 0.000. People and local culture also show positive and significant influence on purchase decision

Keyword: People, Local Culture, Purchase Decision, Traditional Product

INTRODUCTION

Micro Small and Medium Enterprises play crucial role for the development of a region. There are many MSMEs spreading all over provinces in Indonesia. According to Data from the Ministry of Cooperatives for Small and Medium Enterprises at https://kemenkopukm.go.id/data-umkm year 2019 stating that the number of MSMEs was 65,471,134 units. In addition, manpower absorption capacity of MSMEs is 117 million and state revenue from taxes in 2021 reaches IDR 420 billion. One of the regions in Indonesia

which is located in the one of the provinces is Sampit. It is stated in Sampit - Wikipedia Sampit is a large town located in East Kotawaringin Regency, Central Kalimantan. Previously a timber port town, it has grown to be a medium-sized community with a population of 166,773 according to Statistics Indonesia in 2019, with the economy having since divested from timber products. However, the town is not an autonomous city and not an administrative division by despite having a sizeable population and urban built-up. It consists of 11 urban villages (*kelurahan*) from Baamang District, Seranau District, and Mentawa Baru Ketapang District. The total area of the town is 751.45 square kilometers. Based on the data from the office of Cooperative and MSMEs Service in East Kotawaringin (Kalteng.go.id) for the year 2022 shows that the tot 121.411 units. One of the MSMEs' sectors is culinary either modern culinary or traditional one. The sample of traditional product is Bajakah Kalalawit.

Bajakah Kalalawit (*Uncaria Gambir Robx*) is a plant endemic to Borneo that has been hereditarily scientific knowledge about secondary metabolite compounds' bioactivities of Bajakah for cancer and tumor medication ((Unnes et al. 2020)). The phenomenon regarding people, in this case sellers and Bajakah shop keepers are dominated by the baby boomers and generation X. Meanwhile, the baby boomers and generation X are not competent generation dealing with social media. Social media users for promotions are dominated by generation Z. However, generation Z knowledge of local culture from generation to generation is not as good as that of baby boomers. and generation buying decision. The previous research such as (Masruroh & Suprapti 2022), (Aisyah., et.all 2022) and (Ramadhan & Asih 2021) use service and performance as indicator of people. In this research, the researcher use 2 indicators. The indicators are experience and sellers' knowledge. The knowledge related to the hereditary of Bajakah Kalalawit.

Marketing Mix

According to   Kotler and Keller 2016   (2016:70) marketing mix is one of   the major concepts in modern marketing. The marketing mix is the set of tactical marketing tools that the firm blends to produce the response that it wants in the target market. The marketing mix consists of everything the firm can do to engage consumers and deliver customer value. some researchers on marketing mix related to its implications on the buyers, sale improvement and marketing strategies have been carried out previously. Marketing will only be as good as the people inside the organization (Kotler & Keller 2012:48). Therefore, people as the independent variable which influence purchase decision. The indicators of people are knowledge, experience and service.

Culture - Local Culture - Traditional Culture.

According to Hawkins and Mothersbaugh (2016:65) culture is the complex whole that includes knowledge, belief, art, law, morals, customs, and any other capabilities and habits acquired by humans as members of society. Karmadi and Dono (2007:2) stated that local culture is a kind of various cultures spreading in the archipelago. Furthermore, it is explained that local culture can be referred to islander culture as the heritage. Local culture in Central Kalimantan usually refers to the nature like wild plants in forest (Aryadi et al. 2014), (Usop 2020) and (Cai et al. 2022). The belief of *Tatamba Hutan* (forest medicine), the belief of *Batang Garing (*life of tree) can cure various diseases such as cancer, diabetes and gout, etc. The indicators for local culture are social class and local heritage.

Purchase Decision

According to Hawkins dan Mothersbaugh (2016:494) purchase decision is composed of a sequence of activities: problem recognition, information search, brand evaluation and selection, outlet choice and purchase, and postpurchase processes. Kotler dan Amstrong

(2006:129) mendefinisikan customer buyer behavior is the buying of final consumer individuals and households who buy good and services for personal consumption. The indicators for purchase decision is need recognition and alternative evaluation. The indicators are taken from the steps of purchase making decision. There are two distinct types of problem recognition: the fi rst is need recognition, which occurs when there is a decrease in the actual state (Noel 2009:137).

METHOD
Population and sample
Research uses purposive sampling method to select the sample. There are 40 respondents as the sample. Researchers can use purposive sampling to obtain samples that are in accordance with the purpose of the selection (Sayidah, Assagaf, and Faiz 2020). Total sample uses Roscue formula . It is obtained 40 respondents. Population are all people who buy and consume Bajakah Kalalawit in East Kotawaringin Regency of Central Kalimantan. The criterions of the samples are as follows (1). The age rank is 18 year old up to 70 years old and (2) those who have consumed Bajakah Kalalawit.

Variables and Measurement
There 3 (three) variables in this research. The independent variables are people and local culture. The dependent variable is purchase decision.. The measurement uses Likert Scale from 1 up to 5 from strongly disagree, disagree, neither agree nor disagree, agree, strongly agree (Sukesi 2020:20).

Conceptual Framework
Based on the literatures review and past studies, the conceptual framework is shown below:
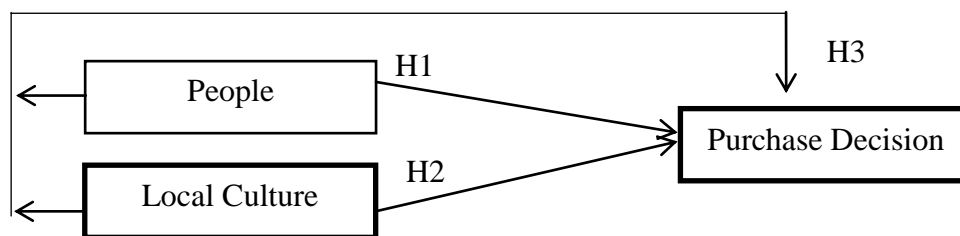
As the references, the previous researches due to the influence of people on purchase decision are researches by Andriyanto, Syamsiar, and Widowati (2019), Dwinanda and Nur (2020), Harahap and Asih (2021), and Rossa, Budiarto, and Kismantotoadji Teguh (2020), hence, the first hypothesis is stated below :
H1 : people influence purchase decision on traditional product of MSMEs of **East Kotawaringin Regency of Central Kalimantan**

As the references, the previous researches due to the influence of local culture on purchase decision are researches by Hindratno, Sahay, and Manurung (2021) and (Ashoer and Andi. 2012), hence the second hypothesis is stated below :
H2 : local culture influences purchase decision on traditional product of MSMEs of East Kotawaringin Regency of Central Kalimantan

The previous research by Budi Hartono (2022) and Hudani (2020) discussed the influence of local culture and personality or personal factor of customer. Referred to the

previous research and by focusing on seller's personal factors rather than customer's factors, hende the third hypothesis is stated below :

H3 :   People and local culture simultaneously influences purchase decision on traditional product of MSMEs of **East** Kotawaringin Regency of Central Kalimantan

RESULTS AND DISCUSSION

Descriptive Statistics

The characteristics of respondents according to age group indicating the age 18 - 70 year old. Based on data processing results with the SPSS program, several tests were obtained shown as follows

Table 1. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
People (X1)	40	3	5	4.13	0.563
Local Culture (X2)	40	3	5	4.20	0.564
Purchase Decision (Y)	40	3	5	4.30	0.516
Social Media Marketing (M)	40	4	5	4.40	0.496
Valid N (list wise)	40				

Based on Table 1, it is shown that the total number of respondents is 40. The lowest data is 3 and the highest data is 5. The lowest deviation is 0.496 and the highest deviation is 0.564. This means that research data is quite varied.

Validity and Reliability Test Result

Total items in the questionnaire are 15 questionnaire statements. The result of the validity and reliability items are all valid and reliable which are shown in the below table 2.

Table 2
Validity and Reliability Test Result

Variables	Indicators	Item No.	> r table	Cronbach Alpha > 0.7	Result
X1	X1.1	1	0.988		Valid and reliable
	X1.2	2	0.988	0.989	Valid and reliable
	X1.3	3	0.953		Valid and reliable
X2	X2.1	4	0.963	0.983	Valid and reliable
	X2.2	5	0.981		Valid and reliable
	X2.3	6	0.944		Valid and reliable
Y	Y1.1	7	0.935	0.949	Valid and reliable
	Y1.2	8	0.920		Valid and reliable
	Y1.3	9	0.922		Valid and reliable
M	M1.1	10	0.933	0.943	Valid and reliable
	M1.2	11	0.929		Valid and reliable
	M1.3	12	0.922		Valid and reliable
	M1.4	13	0.926		Valid and reliable
	M1.5	14	0.939		Valid and reliable
	M1.6	15	0.935		Valid and reliable

Table 3
Multiple Linear Analysis Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.266	.503		2.517	0.16
People (X1)	.262	.129	.286	2.038	0.049
Local Culture (X2)	.465	.129	.508	3.615	0.001
a. Dependent Variable : Purchase Decision (Y)					

Based on the Table 3, constant value is 1.266. Coefficient for people is 0.262 and coefficient for local culture is 0.465. The regression is as follows

$Y = \beta + \beta1X_1 + \beta2X_2 + e$
$Y = 1.266 + 0.262X_1 + 0.465X_2 + e$

Where :
X1   = People
X2   = Local culture
β_0 = Constant
$\beta_1. \beta_2$ = Regression Coefficient   Koefisien regresi atau koefisien arah
e   = Error factor

The result shows that people have a significant influence on purchase decision for traditional MSME products in Central Kalimantan as shown by t value 2.038 > t table 1,984 with a significance level of 0.049 > 0.05. Hypothesis 1 is accepted. Local culture (X2) significantly influences purchase decision. The results obtained show that local culture has a significant influence on purchase decision for traditional MSME products in Central Kalimantan as shown by t value 3.615 > t table 1,984 with a significance level of 0.001 > 0.05. Hypothesis 2 is accepted.

Table 4
Anova Table

Model	Standardized Coefficients	df	Mean Square	F	Sig
1 Regression	5.238	2	2.619	18.770	0.000[b]
Residual	5.162	37	0.140		
Total	10.400	39			
a. Dependent Variable : Purchase Decision					
b. Predictors (Constant), Local Culture, People					

The result shows that F table is 18.770 > 2.87. It means that people (X1) and local culture (X2) significantly and simultaneously purchase decision on traditional product of MSMEs. Hypothesis 3 is accepted.

Table 5
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	710a	.504	.477	.374

Predictors : (Constant), Local Culture

The amount of R Square is 0.504. It means the total influences of people and local culture on purchase decision is 50%. Meanwhile, the other 50% is influenced by other variables outside this research.

Discussion

The research discussion are explained below :

1. Hypothesis 1 : people (X1) significantly influences purchase decision on traditional product of MSMEs. The coefficient value has a positive sign (+). If the value of the person variable increases by one unit, then purchase decision will increase by one unit. The indicators for people variable are knowledge and experience. Bajakah Kalalawit is not a sale product which is equipped with attributes such as Halal label and the Certificate of The Indonesian Food and Drug Authority, therefore, personal knowledge and experiences are needed to confess customers about the benefit of Bajakah Kalalawit. The theory that supports the importance of the relationship between this knowledge and purchasing decisions is from Mihic, Radjenovic, & Supic (2013:31) that all marketing decisions and regulations are based on assumptions and knowledge about consumer behavior.

2. Hypothesis 2 : local culture (X2) significantly influences purchase decision on traditional product of MSMEs. The coefficient value has a positive sign (+). If the value of the person variable increases by one unit, then purchase decision will increase by one unit. The indicators for local culture are life style and perception. Hawkins dan Mothersbaugh (2016:51) explained that culture is perhaps the most pervasive influence on consumer behavior.

3. Hypothesis 3 : people (X1) and local culture (X2) simultaneously influence purchase decision with significant 0.000. R Square is 0.50 or 50%. It means the total influence of people and local culture on purchase decision is 50%. Meanwhile 50% is influenced by other variables which are not available in this research.

CONCLUSION

1. People in this research mean the sales of the Bajakah Kalalawit or the shop's employees. Referring to the results of researchers' interviews with buyers and input suggestions from buyers, there is a lack of increasing knowledge of sellers about the product and knowledge of the benefits of products. Therefore, It is necessary to engaged with generation Z and the millennial generation to promote to the market . Furthermore, from the performance of the sellers, the sellers may wear Dayaknese batik or good looking clothes to attract costumers. The seller's knowledge and experience with Bajakah Kalalawit products are the influential indicators. Bajakah Kalalawit sellers, who are generally in the Baby Boomer and Generation X generations, are supposed to have knowledge and share experiences (testimonials) to their employees in order that the employees can transfer this knowledge to customer while purchasing transaction being occurs.

2. Pictures of the Dayak carving are printed on the product packaging. The examples of the pictures such as the way people consume Bajakah Kalalawit by drinking directly from the tree. Raw Bajakah and its manufacturing products are shown in regional cultural activity forums such as exhibitions, bazaars or Isen Mulang Dayak cultural events such as *Mamapas Lewu* and *Mandi Sampar.* It is advised that the sellers understand that Bajakah Kalalawit as the cultural heritage of Central Kalimantan which has been empirically proven and consumed since the past.

3. Local government and related agencies' concerns are needed. The concerns such as providing subsidies or financial injections, assisting in the process of obtaining halal labels and involving sellers in regional and even national exhibition events.The local government can provide information, ease the process of obtaining an NIB (Business Identification Number) for MSMEs selling Bajakah Kalalawit.

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