

# **Analysis of Determinants of Mobile Phone Purchasing Decisions in Jakarta Shopping Centers**

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**Abstract:** This study is to see the effect of digital marketing, brand image, and sales interaction on purchasing decisions mediated by customer satisfaction. This research uses the SEM method using 250 respondents at Mobile Phone Dealers at Shopping Centers in Jakarta. Research results of direct hypothesis testing show that Digital Marketing has a significant effect on Sales Performance, but not on Customer Satisfaction. Brand Image has a significant effect on Customer Satisfaction and almost significant on Sales Performance. Sales Interaction has a significant effect on Sales Performance and Customer Satisfaction. Customer Satisfaction has a very significant effect on Sales Performance. Indirect Hypothesis shows that the relationship between Digital Marketing, Customer Satisfaction, and Sales Performance is not significant. However, Brand Image and Sales Interaction have a highly significant effect on Sales Performance through Customer Satisfaction. The research concludes that Digital Marketing affects Sales Performance, while Brand Image and Sales Interaction affect Sales Performance and Customer Satisfaction. Customer Satisfaction affect Sales Performance and Customer Satisfaction. Customer Satisfaction has an effect on Sales Performance.

Keyword: Determinant, Digital Marketing, Brand Image, Sales Interaction, Purchase Decision, Customer Satisfaction, & Mobile Phone Dealers.

### **INTRODUCTION**

Marketing is one of the main activities that determine the success of a business in maintaining continuity, developing, and making a profit (Assauri, 2020). This success depends on expertise in marketing, production, finance, and the ability to integrate these functions so that the business runs smoothly.

Digital marketing, according to Septiani (2019), is a form of marketing that utilizes digital information technology through electronic media or the internet, such as television advertising, radio, social media, and *e-commerce*. The development of digital marketing is a changing point from conventional marketing to modern marketing, having an impact on all aspects of business, both for large and small-scale companies.

Brands are an important element for consumers and producers, helping to reassure consumers that they will get consistent quality. Boone and Kurtz (2018) state that brands sensitize buyers to the quality of competing products, give consumers confidence, and become

part of the image built by consumers themselves. Gobe (2019) adds that brands play a unique role in meeting consumers' material and emotional needs.

Sales interaction is an important aspect of building customer relationships and driving business success. According to Kotler and Keller (2020), sales interaction involves direct communication between sellers and buyers to understand customer needs, offer solutions, and create positive experiences that increase loyalty. Basu Swastha (2020) emphasizes that effective sales interactions can increase customer satisfaction and have a positive impact on sales performance.

Customer satisfaction is a top priority in fierce competition. Customers expect the products received to be of good quality and service. Atmawati & Wahyuddin (2020) emphasize the importance of companies providing positive experiences for customers to increase loyalty and market position. In the long run, the bond between companies and customers helps companies understand their needs better.

Sales performance is an important indicator in assessing the marketing success of a company. According to Kotler (2019), sales performance is influenced by various factors, including marketing strategy, brand, and the quality of sales interactions. Haryono (2019) adds that good sales performance reflects the company's ability to meet customer needs and create relevant value in the market. Therefore, good management of digital marketing, brand image, sales interaction, and customer satisfaction are the main keys to improving sales performance.

Thus, the success of a business is highly dependent on the company's ability to manage marketing, product quality, sales interaction, and customer satisfaction to create optimal sales performance in the midst of increasingly competitive competition.

#### **METHOD**

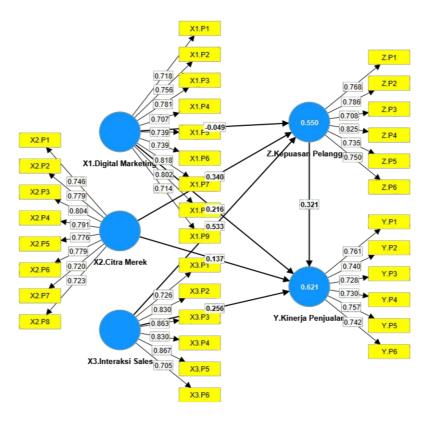
This research uses the Structural Equation Modeling (SEM) analysis method, the SEM method is a multivariate statistical analysis technique used to test and develop complex conceptual models. This study involves the independent variables of digital marketing (X1), brand image (X2), and sales interaction (X3), with the dependent variable of sales performance (Y), as well as the intervening variable of customer satisfaction (Z). The research was conducted in shopping centers in DKI Jakarta from June to October 2024. The population includes consumers who have purchased mobile phones at these locations. Based on the purposive sampling technique, the sample size was determined as many as 250 respondents with the criteria of age 17 years and over and had purchased a mobile phone at a DKI Jakarta shopping center. Data were collected through questionnaires, interviews, and documentation studies. Primary data was obtained directly from respondents through questionnaires, while secondary data comes from literature such as books, journals, and the internet.

Data analysis techniques include descriptive analysis and PLS-SEM. Descriptive analysis is used to describe the data as it is, while PLS-SEM is used to analyze causal relationships between latent variables. PLS-SEM steps include designing a measurement model (outer model), structural model (inner model), and building a path diagram to describe the relationship between variables. In addition, the coefficient of determination ( $R^2$ ) is used to measure the model's ability to explain variations in the dependent variable. Hypothesis testing was conducted using the bootstrap resampling method, with hypothesis acceptance criteria based on the t-statistic value (> 1.96) and p-value (< 0.05). This approach ensures valid conclusions regarding the relationship between variables in this study.

### **RESULTS AND DISCUSSION**

## **Outer Model**

Testing the outer model aims to assess the validity and reliability of the model that has been created. Outer model analysis also aims to specify the relationship between latent variables and their indicators or vice versa.



#### Figure 1. Outer Model

The following is the processing of *convergent validity* data based on 5 variables with a total of 35 statements

Table 1. Convergent Validity					
	X1.Digital	X2.Brand	X3.Sales	Y.Sales	Z.Customer
	Marketing	Image	interaction	Performance	Satisfaction
X1.P1	0.718				
X1.P2	0.756				
X1.P3	0.781				
X1.P4	0.707				
X1.P5	0.739				
X1.P6	0.739				
X1.P7	0.818				
X1.P8	0.802				
X1.P9	0.714				
X2.P1		0.746			
X2.P2		0.779			
X2.P3		0.804			
X2.P4		0.791			
X2.P5		0.776			
X2.P6		0.779			
X2.P7		0.720			
X2.P8		0.723			
X3.P1			0.726		
X3.P2			0.830		
X3.P3			0.863		
X3.P4			0.830		
X3.P5			0.867		
X3.P6			0.705		

	X1.Digital Marketing	X2.Brand Image	X3.Sales interaction	Y.Sales Performance	Z.Customer Satisfaction
Y.P1	0	C		0.761	
Y.P2				0.740	
Y.P3				0.728	
Y.P4				0.730	
Y.P5				0.757	
Y.P6				0.742	
Z.P1					0.768
Z.P2					0.786
Z.P3					0.708
Z.P4					0.825
Z.P5					0.735
Z.P6					0.750

Source: Research Data

*Convergent validity of* the measurement model can be from the correlation between the item / instrument score and the construct score (loading factor) with the criteria for the loading factor value of each instrument> 0.7. Based on the data processing above, all statements are declared valid.

Table 2. Composite Reliability and AVE				
Variables	Cronbach's alpha	Composite reliability	Average variance extracted (AVE)	
X1.Digital Marketing	0.876	0.902	0.509	
X2.Brand Image	0.845	0.880	0.583	
X3.Sales interaction	0.850	0.893	0.592	
Y. Sales Performance	0.823	0.870	0.529	
Z. Customer Satisfaction	0.816	0.863	0.517	
	Source: Research	Data		

Based on the values in Table 2, the main model is. With Cronbach's Alpha value of all latent variables> 0.7, Composite Reliability value> 0.7 and AVE> 0.5 (Management, 2020).

## **Inner Model**

Testing the inner model in PLS consists of testing the determinant coefficient (R2) and *predictive relevance* (Q2).

Table 3. Determinant Coefficient Results		
Variables	<b>R-square</b>	
Y. Sales Performance	0.621	
Z. Customer Satisfaction	0.550	
Source: Research Data		

Table 3 shows that the coefficient of determination of sales performance is 0.621 (good) and customer satisfaction is 0.550 (good). The higher the R-square value, the greater the ability of exogenous variables to explain endogenous variables, so the better the structural equation.

Table 4. Predictive Relevance			
No.	Dependent Variable	R Square	
1	Y. Sales Performance	0.621	
2	Z. Customer Satisfaction	0.550	
	2 2		
Calculation of $Q^{(2)} = 1 - (1 - R_1)(1 - R_2)$			
= 1 - (1 - 0.621)(1 - 0.550)			
= 0.82945			
Source: Research Data			

The table above shows the results of the structural model evaluation as evidenced by the  $Q^2$  value of 0.829, which is close to 1. Thus, the results of this evaluation indicate that the structural model has a very good *goodness* of *fit model*. This result can be interpreted that the information contained in the data by 82.9% can be explained by the model, while the remaining 17.1% is explained by errors and other variables that are not yet included in the model.

## **Hypothesis Test**

Hypothesis testing in this study is seen from the probability value (p-value) with a significant level of 0.05. If the p-value < 0.05 then the hypothesis is accepted, and vice versa if the p-value> 0.05 then the hypothesis is rejected.

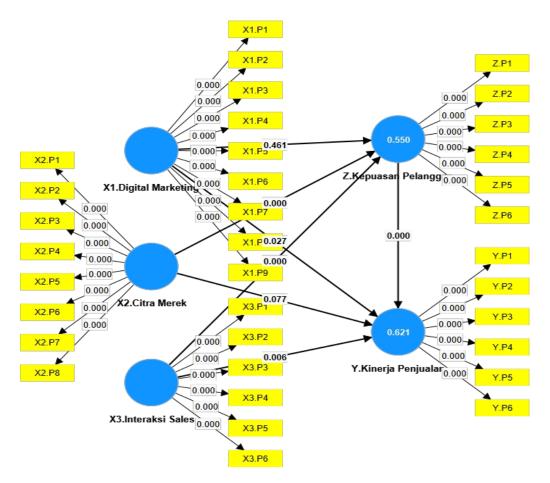


Figure 2. Bootstrapping

Variables	T statistics ( O/STDEV )	P values
X1.Digital Marketing -> Y.Sales Performance	2.228	0.027
X1.Digital Marketing -> Z.Customer Satisfaction	0.738	0.461
X2.Brand Image -> Y.Sales Performance	1.775	0.077
X2.Brand Image -> Z.Customer Satisfaction	6.339	0.000
X3.Sales interaction -> Y.Sales performance	2.766	0.006
X3.Sales interaction -> Z.Customer satisfaction	7.794	0.000
Z. Customer Satisfaction -> Y. Sales Performance	4.779	0.000
Source: Research D	ata	

1. Digital Marketing (X1) and Sales Performance (Y) show significant results with T statistics of 2.228 and a p-value of 0.027. Because the p-value is less than 0.05, it can be concluded that Digital Marketing has a significant effect on Sales Performance.

- 2. Digital Marketing (X1) and Customer Satisfaction (Z) do not show a significant effect. With T statistics 0.738 and p-value 0.461, the p-value greater than 0.05 indicates that Digital Marketing has no significant effect on Customer Satisfaction.
- 3. Brand Image (X2), the relationship with Sales Performance (Y) shows almost significant results, with T statistics of 1.775 and a p-value of 0.077. The p-value which is greater than 0.05 but smaller than 0.10 indicates that the effect of Brand Image on Sales Performance is at the 10% significance limit.
- 4. Brand Image (X2) and Customer Satisfaction (Z) are highly significant, with T statistics of 6.339 and a very small p-value (0.000). This shows that Brand Image has a strong influence on Customer Satisfaction.
- 5. Sales Interaction (X3) has a significant effect on both variables tested. Its effect on Sales Performance (Y) is highly significant, with T statistics of 2.766 and p-value of 0.006. This indicates that Sales Interaction has a strong effect on Sales Performance.
- 6. Sales Interaction (X3) on Customer Satisfaction (Z) is also highly significant, with T statistics of 7.794 and a very small p-value (0.000). Thus, Sales Interaction has a big influence on Customer Satisfaction.
- 7. Customer Satisfaction (Z) and Sales Performance (Y) are also highly significant, with T statistics 4.779 and p-value 0.000. This shows that Customer Satisfaction has a very significant influence on Sales Performance.

Table 6. Indirect Hypothesis Test			
Variables	T statistics ( O/STDEV)	P values	
X1.Digital Marketing -> Z.Customer Satisfaction -> Y.Sales Performance	0.709	0.479	
X2.Brand Image -> Z.Customer Satisfaction - > Y.Sales Performance	3.423	0.001	
X3.Sales interaction -> Z.Customer satisfaction -> Y.Sales performance	4.458	0.000	

Source: Research Data

1. First, the relationship between Digital Marketing (X1), Customer Satisfaction (Z), and Sales Performance (Y) shows insignificant results. With a T-statistic of 0.709 and a p-value of 0.479, which is greater than 0.05, it can be concluded that through this path (Digital Marketing -> Customer Satisfaction -> Sales Performance), there is no significant effect on Sales Performance. This means that although Digital Marketing may

affect Customer Satisfaction, this influence does not significantly translate into Sales Performance.

- 2. On the other hand, the relationship between Brand Image (X2), Customer Satisfaction (Z), and Sales Performance (Y) shows highly significant results. With a T-statistic of 3.423 and a p-value of 0.001, which is smaller than 0.05, it can be concluded that this path (Brand Image -> Customer Satisfaction -> Sales Performance) has a very strong impact on Sales Performance. This indicates that Brand Image not only affects Customer Satisfaction but also significantly enhances Sales Performance through improved Customer Satisfaction.
- 3. Finally, the relationship between Sales Interaction (X3), Customer Satisfaction (Z), and Sales Performance (Y) is also highly significant. With a T-statistic of 4.458 and a very small p-value (0.000), it can be concluded that this path (Sales Interaction -> Customer Satisfaction -> Sales Performance) has a very strong impact on Sales Performance. This indicates that Sales Interaction not only boosts Customer Satisfaction but also significantly contributes to improving Sales Performance.

## Discussion

## The Effect of Digital Marketing on Sales Performance

Digital marketing does have a significant effect on sales performance, as seen in the results of the previous hypothesis test with T statistics of 2.228 and a p-value of 0.027. The p-value which is smaller than 0.05 indicates that digital marketing has a statistically significant effect on sales performance.

This means that the implementation of digital marketing strategies, such as marketing through social media, online advertising, and other internet-based marketing, can improve the sales performance of a business. This effect shows that digital marketing efforts can expand audience reach, increase brand awareness, and ultimately increase product or service sales.

## The Effect of Digital Marketing on Customer Satisfaction

Digital Marketing has no significant effect on Customer Satisfaction. With T statistics of 0.738 and a p-value of 0.461, which is greater than 0.05, it can be concluded that there is no significant influence between Digital Marketing and Customer Satisfaction.

This means that while digital marketing might increase brand awareness or influence other aspects of customer interactions, in this case, the digital marketing strategy is not strong enough or does not directly influence the level of customer satisfaction. Other factors besides digital marketing may have a greater role in influencing customer satisfaction, such as product quality, customer service, or other direct experience factors.

#### The Effect of Brand Image on Sales Performance

The effect of Brand Image on Sales Performance shows significant results in the hypothesis test conducted. Although the T statistics of 1.775 and p-value of 0.077 are greater than 0.05, this p-value is still below the 10% significance limit (p-value between 0.05 and 0.10), which means there is an indication that Brand Image has an effect on Sales Performance, albeit with a lower level of confidence compared to the 5% significance level.

In this context, it can be concluded that Brand Image has a fairly strong influence on Sales Performance, but its influence may not be as strong or obvious as other factors that have lower p-values (e.g. Sales Interaction or Customer Satisfaction). Brand Image can influence customer perceptions of a product or service, which in turn can increase purchase intent and boost sales, although this influence is not very dominant.

## The Effect of Brand Image on Customer Satisfaction

Brand Image has a strong influence on Customer Satisfaction. The hypothesis test results show T statistics of 6,339 and a p-value of 0.000, which is much smaller than 0.05. This shows that Brand Image has a very significant influence on Customer Satisfaction.

This means that the quality and perception of the brand image of a company or product can greatly affect the level of customer satisfaction. If customers have a positive and strong brand image, they tend to be more satisfied with the product or service provided. A good brand image builds customer trust and loyalty, which are important factors in improving the overall customer experience.

## The Effect of Sales Interaction on Sales Performance

Sales interaction has a strong influence on Sales Performance. Hypothesis testing results show T statistics of 2.766 and a p-value of 0.006, which is smaller than 0.05, indicating that this relationship is highly significant.

This means that Sales Interaction - which includes all forms of direct interaction between salespeople and customers - has a major influence in improving Sales Performance. Effective interactions between salespeople and customers can increase purchase interest, strengthen customer relationships, and help in understanding customer needs and preferences. This directly contributes to increased product or service sales, as salespeople can influence purchasing decisions in a more personalized and targeted way.

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## The Effect of Customer Satisfaction on Sales Performance

Customer Satisfaction has a very significant influence on Sales Performance. The results of hypothesis testing show T statistics of 4,779 and a p-value of 0.000, which is much smaller than 0.05. This indicates that the effect of Customer Satisfaction on Sales Performance is highly significant.

This means that Customer Satisfaction has a big impact on Sales Performance. Satisfied customers tend to be more loyal, more likely to make repeat purchases, and can provide positive recommendations about the product or service to others, which in turn will increase sales. High customer satisfaction creates a long-term profitable relationship between the customer and the company, and drives sustainable sales growth.

## CONCLUSION

Factors such as digital marketing, brand image, sales interaction, and customer satisfaction play an important role in determining sales performance. While digital marketing has a direct impact on sales, customer satisfaction and sales interactions contribute greatly in creating long-term relationships that support sustainable sales growth. An effective marketing strategy should consider the synergy of all these factors to achieve maximum results.

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