

The Influence of Iconnet Product Personal Selling on the Purchase Interest of Housing Residents in Medan City

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ABSTRACT

Keywords: personal selling; minat beli; ICON+ Technology has influenced humans in their daily lives. The improvement of technological developments can affect aspects of life that cannot be separated from the use of the internet. It is seen in the last 5 years that the use of technology in Indonesia has grown rapidly, marked by the emergence of many internet service providers. The increase in household internet users is one of the phenomena that can be used by ICON+ to be able to attract new users. This target market will try to find alternative internet providers that can meet the needs of the internet in households at affordable prices. This study aims to measure the influence of personal selling carried out by ICON+ sales on the buying interest of people in Medan housing. This study is quantitative research with a simple linear regression method from a total of 350 respondents. The results of this study stated that personal selling had an effect on the buying interest of residents in Medan city housing with the influence of the independent variable on the bound variable of 52.2% while the remaining 47.8% was influenced by other factors outside this study.



Introduction

As the times continue to evolve and progress, everyone is required to adapt to the changing circumstances. Especially in terms of obtaining information quickly and effectively, which is highly needed today. The speed in obtaining such information is supported by internet access. (Dellamita et al., 2014). The variety of telecommunication facilities and increasingly sophisticated information technology products are due to the development of information and telecommunication technology. (Hanim Tafri et al., 2011). This is one of the impacts of the globalization era, where computers and the internet, with their dynamic nature, have become coherent facilities dominating various life activities. In the fields of education, industry, commerce, and offices, these facilities are necessary. (Patmanthara, 2012).

Technology has influenced humans in their daily lives. If people are "technology illiterate," they will be slow to obtain information and increasingly find it difficult to

progress. Today's society is moving towards an information society or knowledge society where information holds an important and tangible role. In the current era, there is increasingly intense competition in the telecommunications business.

The improvement of technology development has influenced aspects of life that cannot be separated from the use of the internet. In the past five years, the use of technology in Indonesia has developed rapidly. Household internet usage in Indonesia has sharply increased to 78.18 percent. The increase in internet users in 2020 was followed by an increase in the number of mobile phone users, reaching 62.84 percent, and the increase in computer users, which also rose by 18.83 percent. Thus, from 2016 to 2020, the percentage increased from 25.37 percent to 53.73 percent (Central Bureau of Statistics, 2020).

The increase in household internet users is one phenomenon that ICON+ can utilize to attract new users. This target market will seek alternative internet providers that can meet household internet needs at affordable prices. Seeing this, PT Indonesia Comnets Plus (ICON+) believes that the products offered can be an option for providing the right internet services. The company, a subsidiary of PT PLN (Persero), focuses on building "Right of Ways" (RoW), meaning gradually building telecommunication network connections in remote areas of Indonesia using fiber optic networks spanning 891.00 km across Sumatra, Java, Bali, Nusa Tenggara, Sulawesi, and Kalimantan.



Figure 1 ICONNET service coverage

On May 31, 2021, PLN launched the rebranding of its latest internet service from Stroomnet to Iconnet through its subsidiary PT Indonesia Comnets Plus (ICON+) (ICON+ and PLN Launch Iconnet Brand Change, 2021).



ICON+ dan PLN Luncurkan Perubahan Brand ICONNET

1 Juni 2021, 12:04 WIB | developer

Senin, 31 Mei 2021, PT PLN (Persero) melalui anak usahanya PT Indonesia Comnets plus (ICON+) memperkenalkan ICONNET sebagai brand baru layanan fixed broadband internet, yang sebelumnya dikenal dengan nama Stroomnet.

Figure 2 ICONNET Launching

The image above shows that the Iconnet product is a rebranding of Stroomnet, and the internet service product owned by ICON+ and PLN has been available since 2020. Some articles mention that Iconnet products are cheaper, allowing them to compete with other internet service providers (Icon+News, 2021).

According to the Central Bureau of Statistics (BPS), Medan is the city outside Java Island with the highest Gross Regional Domestic Product (GRDP), reaching up to 241,882 billion Rupiah. The economic growth of the capital of North Sumatra is the highest outside Java, making Medan one of the best cities to work or open a long-term business. The growth of housing in Medan is also increasing rapidly. Not only are there more simple and medium-sized housing areas, but the number of luxury housing complexes in Medan is also growing significantly.

Therefore, to be more specific and easy to differentiate, the researcher will use one of the promotional mixes. According to (Kotler et al., 2019), several processes occur in the personal selling of Iconnet products towards the purchase interest of residents in Medan's housing areas.

Method

Type of Research

This research is conducted using a quantitative approach, utilizing numerical data to observe the influence between the variables of Personal Selling and Purchase Intention. According to (Indrawati, 2015), research methods are scientific processes carried out to obtain findings, test theories, and develop theories to gather data to identify, solve, and anticipate problems.

The method used in this research is descriptive quantitative research. Quantitative research aims to test whether there are relationships among variables and objectively test theories. (Ishtiaq, 2019). The variables in this study must be measurable and are usually found in the instruments, allowing numerical data to be analyzed using statistical procedures.

Operational Variables and Measurement Scale

1. Operational Variables

Variables are observable and measurable elements that focus on characteristics inherent in individuals or organizations and vary across individuals or organizations being studied. (Ishtiaq, 2019). In this research, the independent variable (X) is Personal Selling, and the dependent variable (Y) is Purchase Intention.

Below is the operational definition of the variables in this study:

Table 1
Operational Variables

Variables	Dimensions	Indicator	Scale	Question No.	
Personal Selling (X) P. Kotler & Armstrong (2012: 62)	<i>Prospecting</i>	Consumer Profession	Ordinal	1	
		Consumer knowledge	Ordinal	2	
	<i>Qualifying</i>	Consumer background	Ordinal	3	
		Direct sales visits	Ordinal	4	
	<i>Approach</i>	Number of Internet users	Ordinal	5	
		Good looks	Ordinal	6	
	<i>Presentation and Demonstration</i>	Introduce yourself	Ordinal	7	
		Have good knowledge	Ordinal	8	
	<i>Handling Objections</i>	Explains the product well	Ordinal	9	
		Explaining the advantages and benefits	Ordinal	10	
	<i>Closing</i>	Taking a positive approach	Ordinal	11	
		Finding out customer difficulties	Ordinal	12	
		Explaining consumer difficulties	Ordinal	13	
	<i>Follow Up</i>	Inquire about consumer interest	Ordinal	14	
		Reviewing purchase deal points	Ordinal	15	
		Offer enrollment assistance	Ordinal	16	
	Purchase Interest (Y) Rehman et al. (2014:42)	<i>Attention</i>	Provide purchase requirement information.	Ordinal	17
			Reconfirm product service	Ordinal	18
		<i>Interest</i>	Offer products as needed	Ordinal	19
			Is a reliable product	Ordinal	20
		<i>Desire</i>	Attractive offers	Ordinal	21
			Interested in buying products from the offer	Ordinal	22
		<i>Desire</i>	A product that meets the needs	Ordinal	23
			Advantages that generate interest in using the product	Ordinal	24

<i>Action</i>	Interested in buying the Ordinal product	25
	Satisfied with the service Ordinal	26

2. Measurement Scale

This study uses a Likert scale for secondary data. The Likert scale aims to measure attitudes, opinions, and views of individuals or groups regarding social phenomena. (Sugiyono, 2021). Indicators are set as benchmarks to develop instruments containing statements or questions.

Table 2
Likert Scale

Options	Score
Strongly Agree	4
Agree	3
Disagree	2
Strongly Disagree	1

Source: (Sugiyono, 2014: 133)

3. Population and Sample

a. Population

Population refers to the wide area encompassing objects or subjects with certain qualities and characteristics that researchers use to gain further understanding and draw conclusions. The population in this study comprises individuals who are aware of Iconnet products and have been offered them through Personal Selling by Iconnet sales representatives, residing in housing complexes in Medan, totaling 2,825 units.

b. Sample

A sample is a portion of the population that can be considered representative of the entire population. (Sugiyono, 2013). This research requires predetermined respondent criteria to achieve appropriate research results. The criteria include residents of housing complexes in Medan who have been offered Iconnet products through Personal Selling. Since the population size is known, the sample size is determined using the Slovin formula, as follows:

$$n = \frac{N}{1 + N(e^2)}$$

Where

n = Minimum sample size

N = Population size

e = Margin of error (0.05)

Source: Gendro Wiyono (2011) in Saputra and Septyarini (2021)

This study uses a 95% confidence level. The margin of error is set at 5%, with a population size of 2,825 units, resulting in the following minimum sample size:

$$\begin{aligned}n &= \frac{N}{1 + N(e^2)} \\n &= \frac{2825}{1 + 2825(0,05^2)} \\n &= \frac{2825}{1 + 2825(0,0025)} \\n &= \frac{2825}{1 + 7,0625} \\n &= \frac{2825}{8,0625} \\n &= 350,3875\end{aligned}$$

Therefore, the sample size for this study is determined to be 350 respondents.

Results and Discussion

Results of the Classical Assumption Test

This test is conducted to ensure no violation of classical assumptions. Before testing, it is necessary to evaluate all data required for the research. The purpose of the classical assumption test is to examine and determine whether the regression model used in this study is appropriate. For data to be considered suitable, it must meet certain criteria: it should be normally distributed and free from autocorrelation, multicollinearity, and heteroscedasticity. Therefore, it is essential to conduct a classical assumption test before performing multiple linear regression analysis, which consists of:

a. Normality Test Results

The normality test is used to analyze whether, in a regression, the independent and dependent variables or both are normally distributed. This test aims to verify whether the disturbance or residuals in the regression model are normally distributed. A regression model is considered good if the data distribution is normal or close to normal. In this study, the normality test employs the Kolmogorov-Smirnov analysis technique (1-Sample K-S). The Kolmogorov-Smirnov test is used as the basis for decision-making: if the Asymp. Sig. (2-tailed) value is greater than 0.05, it indicates that the data is normally distributed. The results of the normality test are shown in Figure 3 below.

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		350
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	1.44741588
Most Extreme Differences	Absolute	.075
	Positive	.073
	Negative	-.075
Test Statistic		.075
Asymp. Sig. (2-tailed)		.110 ^c

a. Test distribution is Normal.
 b. Calculated from data.
 c. Lilliefors Significance Correction.

Figure 3 Normality Test Results

Based on Figure 3 above, it is observed that the Asymp. Sig. (2-tailed) value is greater than 0.05, specifically 0.110, indicating that the regression model in this study meets the normality assumption and is normally distributed.

b. Heteroscedasticity Test Results

The heteroscedasticity test is conducted to determine whether there are deviations in the model due to varying types of disturbances between observations. In a scatterplot diagram, a study is considered free from heteroscedasticity if there are no randomly scattered points or specific patterns, both below and above zero on the Y-axis. The scatterplot results are shown in Figure 4 below.

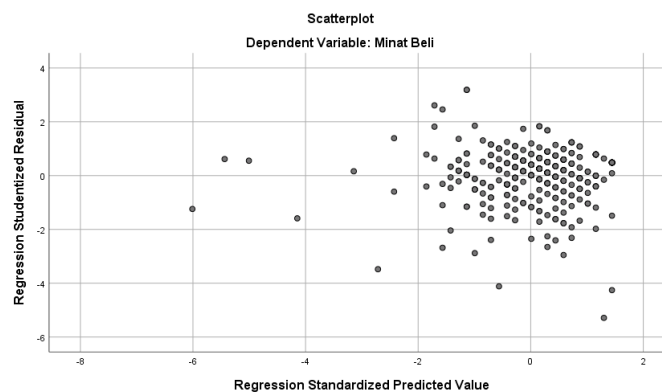


Figure 4 Heteroscedasticity Test Results
 (Source: Processed by the researcher, 2024)

Based on Figure 4, it can be concluded that the points are scattered above and below zero on the Y-axis, and there is no clear pattern. If heteroscedasticity occurs, the graph will show points forming waves or specific patterns regularly spreading and then narrowing. Thus, it can be concluded that heteroscedasticity does not occur as the scatter plot in the regression model shows an unclear or irregular pattern.

c. Correlation Coefficient Test Results

To statistically test and prove the relationship between (X) and (Y), correlation analysis is used. Correlation analysis is employed to determine the correlation between one independent variable and one dependent variable with ordinal data categories. Below are the correlation test results. The significance level criteria used as the basis for determining the correlation are: a) $p < 0.01$ indicates a significant correlation, b) $0.01 \leq p < 0.05$ indicates a fairly significant correlation, and c) $p > 0.05$ indicates no significant correlation.

Correlations

		Personal Selling	Minat Beli
Personal Selling	Pearson Correlation	1	.723**
	Sig. (2-tailed)		.000
	N	350	350
Minat Beli	Pearson Correlation	.723**	1
	Sig. (2-tailed)	.000	
	N	350	350

** . Correlation is significant at the 0.01 level (2-tailed).

Figure 5 Correlation Coefficient Test Results
(Source: Processed by the researcher, 2024)

From the figure above, it is known that the correlation (r) between the Personal Selling variable (X) and Purchase Intention (Y) is 0.723 with a significance of 0.000, indicating that the correlation coefficient is strong and significant.

Determination Coefficient Test Results

The determination coefficient (R^2) test is conducted to assess how well the research model can explain the dependent variable. In other words, R Square is used to measure the extent to which the variation in the dependent variable can be collectively explained by the independent variables.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.723 ^a	.522	.521	2.542

a. Predictors: (Constant), Personal Selling

b. Dependent Variable: Minat Beli

Figure 6 Determination Coefficient Test Results
(Source: Processed by the researcher, 2024)

Based on the figure above, the R Square value is 0.522, indicating that Personal Selling influences Purchase Intention by 52.2%, and the remaining 47.8% is influenced by other factors outside the research model.

Simple Linear Regression Test Results

The simple linear regression analysis aims to determine the influence of one variable on another.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.374	1.216		2.775	.006
	Personal Selling	.381	.020	.723	19.509	.000

a. Dependent Variable: Minat Beli

Figure 7 Simple Linear Regression Test Results

(Source: Processed by the researcher, 2024)

Based on Figure 7 above, the relationship between the personal selling variable (X) and purchase intention (Y) can be explained. The simple linear regression equation used is $Y = a + bX$. From the output, the regression model equation is obtained as follows:

$$Y = 3.374 + 0.381 X$$

The coefficients in the simple linear regression equation above can be explained as follows: the regression coefficient for the constant is 3.374, indicating that if the personal selling variable is zero or constant, there will be a 337.4% increase in purchase intention. Meanwhile, the personal selling variable coefficient of 0.381 indicates that each unit increase in the personal selling variable will increase the effectiveness of social media usage by 38.1%.

Hypothesis Test Results

The partial hypothesis test aims to determine whether there is an influence of independent variables on the dependent variable individually. The t-test essentially aims to show how far each independent variable individually influences the dependent variable's variation. (Ghozali, 2016). Additionally, the test is conducted using a significance level of 0.05 ($\alpha = 5\%$), with the criteria that if the significance value is less than 0.05 and the t-value is greater than the t-table value, then the hypothesis is accepted. The t-table value for this research is $df = 350 - 2 = 348$, resulting in a t-table value of 1.649949.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.374	1.216		2.775	.006
	Personal Selling	.381	.020	.723	19.509	.000

a. Dependent Variable: Minat Beli

Figure 8 Hypothesis Test Results

(Source: Processed by the researcher, 2024)

Based on the significance value, the linear regression results show that the significance value of the Personal Selling variable (X) is $0.000 < 0.05$, indicating that Personal Selling (X) has a positive and significant relationship with the Purchase Intention variable (Y) individually. The t-table value for 5% significance is $df = 350 - 2 = 348$, resulting in a t-table value of 1.649949. Therefore, based on the t-value, the test results show that the t-value for Personal Selling (X) is $19.509 > 1.649949$, meaning that Personal Selling has a positive and significant relationship with Purchase Intention.

Discussion of Research Results

From the research results obtained, it is known that each variable of Personal Selling and Purchase Intention has met the criteria for good data, which are valid and reliable. This is also supported by the normal data distribution and freedom from heteroscedasticity issues.

Discussion of the Influence of Personal Selling on Purchase Intention

Based on the descriptive analysis of the Personal Selling variable (X), it is known that the highest to lowest percentage values include Iconnet sales representatives having good product knowledge and explaining the advantages and benefits of the product to potential consumers, both valued at 78.4%. The last position is the statement of the sales representatives' lack of knowledge about the background of potential customers. Based on the descriptive analysis of the Purchase Intention variable (Y), it is known that the highest to lowest percentage values include respondents' satisfaction with Iconnet sales representatives offering Iconnet products with a score of 86.2%, followed by the statement that the offered product's advantages make respondents interested in buying Iconnet products at 85.1%, and the last position is respondents' interest in purchasing Iconnet products at 83%.

From the research results conducted, it can be concluded that Personal Selling influences Purchase Intention. This research result is determined by the t-test and significance test conducted related to the personal selling variable on purchase intention, with a t-value of 19.509 and a significance value of 0.000. This indicates that the t-value of 19.509 is greater than the t-table value of 1.649949, and the significance value of 0.000 is less than 0.05, indicating that personal selling influences the purchase intention of housing residents in Medan City.

The determination coefficient (R^2) is 0.522, meaning that Personal Selling influences Purchase Intention by 52.2%, and the remaining 47.8% is influenced by other factors outside the research model. Overall, the research results state that personal selling does influence the purchase intention of housing residents in Medan City. Personal selling involves direct interaction between the seller and the buyer. This allows the seller to answer questions, provide relevant information, and address objections directly, which can increase the buyer's trust. Additionally, in the personal selling process, the seller can quickly identify and address objections or doubts that customers may have, helping them feel more comfortable making a purchase.

These research findings are also supported by previous studies with similar results, such as the study by (Aprianto & Candraningrum, 2019), which states that personal

selling influences the purchase intention of housing residents in Medan City. Additionally, the study by (Siagian et al., 2022) also confirms that personal selling affects consumer purchase intention, and this is further supported by the research by (Syarifuddin, 2023), which reports similar findings. The relationship between personal selling and purchase intention exists because personal selling allows sellers to build closer relationships with consumers. Good relationships can enhance trust and loyalty, making consumers more likely to buy. Sellers can provide specific and relevant information about products or services, including features, benefits, and usage instructions. This information helps consumers understand the product's value and make better purchasing decisions. Through direct interaction, sellers can receive feedback from consumers about products or services. This feedback is not only useful for sellers to improve their offerings but also shows consumers that their opinions are valued.

Conclusion

Based on the research findings, the coefficient of determination (R Square) is 0.522, indicating that personal selling has an influence on purchase intention by 52.2%, while the remaining 47.8% is influenced by other factors outside the research model. Furthermore, the study results were confirmed through a t-test and significance test, which demonstrated the relationship between the personal selling variable and purchase intention. The t-value obtained was 19.509, which is greater than the t-table value of 1.649949, and the significance value was 0.000, which is less than 0.05. These results suggest that personal selling has a significant influence on the purchase intention of housing residents in Medan City.

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