

# The Role of Digital Marketing and Advertising in Honda Motorcycle Sales at PT. Indako Trading Coy during the Covid-19 Pandemic (Study Case Dealer in Medan, Binjai and Deli Serdang)

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## ABSTRACT

The covid-19 pandemic is a new disease since it entered Indonesia in April 2022. Of course, it becomes a problem for business actors where people are reluctant to consume. Digital marketing and advertising is the solution. Digital marketing and advertising are marketing strategies that are generally used to promote goods and services to customers. Thus, people will be more enthusiastic which ends in increasing sales. The population and sample in this study came from 30 dealers with a total of 36 people. The data analysis technique used multiple linear regression with F test criteria and t test. The results show that digital marketing has a negative effect on sales. This is based on the results of the t-count on the digital marketing variable of -1.733 with a significance level of 0.093. These results mean that the higher the use of digital marketing, not significantly effect to the sales of Honda motorcycles at PT. Indako Trading Coy. Advertising has positive effect on increasing sales. This is based on the results of the t-count on the advertising strategy variable of 3.362 with a significance level of 0.001. So it can be concluded that the advertising strategy partially positive and significant effect on sales of Honda motorcycles at PT. Indako Trading Coy. Then simultaneously digital marketing and advertising also have a significant effect on increasing sales of Honda motorcycles at PT. Indako Trading Coy. Based on the results of the study f-count 5.659 with a significance level less than 5%, namely 0.008. Based on the test results simultaneously indicate that digital marketing and promotion strategies simultaneously or together have a significant effect on increasing sales at PT. Indako Trading Coy.

**Keywords:** Advertising, Digital Marketing, Honda, Pandemic Covid-19, Sales.

## INTRODUCTION

Almost all business sectors were affected when the COVID-19 pandemic entered Indonesia. One of the sectors affected is the automotive sector. Companies must think hard to deal with conditions and situations like this, especially since this pandemic is the first time and there is no experience that can cope with the conditions and situations of the covid-19 pandemic. Companies must move quickly in order to remain a market leader who must innovate continuously. One of them is digital marketing, technological developments in the world of entrepreneurship can help business actors in marketing products anywhere, anytime and to anyone through the internet as a liaison. This corresponds to the behavior of consumers who are reluctant to make transactions face-to-face and for the sake of health protocols. In addition, with the support of advertising where advertising both in traditional and modern ways can help influence consumers towards motorcycle products, especially the Honda brand.

Based on the results of research conducted by Fadly, HD, & Utama, S. (2020), "Even though the COVID-19 pandemic has had many impacts on economic growth in

Indonesia, this will certainly affect the wheels of our economy. Therefore, one of the effective tips to apply during this pandemic is to maximize online marketing and build branding, considering that more and more people are starting to WFH (work from home)".

Digital Marketing is a marketing strategy that is generally used to promote goods and services to customers by utilizing various distribution channels. Through social media, buyers can get information whenever and wherever they need. With the large number of social media users and increasing day by day, it opens up opportunities to develop its market in the grip of a smartphone.

Along with the development of information technology, the use of the internet is increasingly widespread. This makes the development of online business is growing rapidly. So that competition in this field is getting tougher because it makes it easier for people to make sales and purchase transactions and can expand the reach of the business (M.Iqbal, 2019).

Experts in digital marketing have a definition. According to Uchenna & Louis (2018), digital marketing is a marketing activity that includes branding using various media. For example, blogs, websites, email, and various social media networks.

The rapid development of information technology is currently comparable to the rapid development of the internet in Indonesia. This of course also affects the development of the business world today. Indonesia has experienced changes in carrying out its business activities due to changes in the functions and roles of information technology (R.I. Borman, 2020)

To face competition between companies, which is currently increasing, every company needs a marketing strategy. The phenomenon of competition between existing companies has made every company must realize that it is the right strategy that will help the company to survive in the midst of intense competition. In other words, the company's main key to win the competition is through efforts to influence customer decisions, one of which is a product delivery strategy through promotional activities to consumers.

Sales are a source of income for the company, the greater the sales, the greater the profits obtained by the company. This activity is the main income that must be managed properly so as not to harm the company.

PT. Indako Trading Coy is a company engaged in the sale of Honda motorcycles in North Sumatra, in order to increase sales, it is necessary to continuously carry out promotional strategies, both online and offline. Based on this description, the researcher is interested in conducting research and taking the title "The Role of Digital Marketing and Advertising in Sales of Honda Motorcycles at PT. Indako Trading Coy during the Covid-19 Pandemic.(Study Case Medan, Binjai, Deli Serdang)"

### **RESEARCH PURPOSE**

1. To determine the effect of digital marketing on increasing sales of Honda motorcycles at PT. Indako Trading Coy.
2. To determine the effect of advertising on increasing sales of Honda motorcycles at PT. Indako Trading Coy.
3. To determine the effect of digital marketing and advertising simultaneously on increasing sales of Honda motorcycles at PT. Indako Trading Coy.

### **LITERATURE REVIEW**

#### **DIGITAL MARKETING**

Digital marketing is one of the efforts in marketing a product in the form of goods or services that is able to connect between sellers and buyers via the internet and various other forms of digital communication media. Digital marketing is seen as an effective means for potential customers to get complete information about products and can make buying and selling transactions online (Afrilia, 2018).

Digital Marketing is a marketing activity or promotion of a product brand using digital media or the internet, the purpose of digital marketing is to attract consumers and potential consumers more quickly and reach a wider market (Jupri et al., 2021).

According to (Sulaiman, 2018), it is explained that Marketing is a social and managerial process by which individuals and groups obtain what they need and want through the creation, offering, and exchange of products of value.

According to Tri Rachmady (2020), Digital Marketing is a product and service marketing technique using a digital platform. Platforms that are often used to do digital marketing are websites, Search Engine Optimization, Social Media, Email Marketing, and others.

According to Rusmanto, (2017), Digital Marketing is an activity to promote services/products or trademarks using more than one digital/electronic media. Digital marketing can also be said as marketing through the internet, marketing through websites or online marketing.

Furthermore, Wendy et al. (2019), states that digital marketing is a means to promote goods or services using digital technology, especially using the Internet. Digital marketing uses the development of the digital world to carry out advertising that is not immediately heralded but has a very influential effect. the use of digital marketing by companies is increasing.

Digital marketing is the application of digital technology that forms online channels to the market (website, e-mail, database, digital TV and through various other latest innovations including blogs, feeds, podcasts, and social networks) that contribute to marketing activities, which aims to profit and retain consumers (in the multi-channel buying process and customer lifecycle), through recognizing the importance of digital technology and developing a well-planned approach to increase consumer awareness (of the company, its behaviour, values and brand loyalty drivers). ), and then conveying messages through integrated and focused online-based communication activities and services to meet specific customer needs.

Digital Marketing or can be called digital marketing is an effort or method to market a brand or product by using supporting media in digital form. This method is able to reach consumers both personally, relevant and right on target according to the needs or desires of consumers.

The dimensions of digital marketing in terms of promotion as part of the marketing mix, namely:

1. Website
2. Search Engine Optimization (SEO)
3. Paid search click-based advertising (PPC advertising)
4. Affiliate marketing and strategic partnership
5. Online PR
6. Social Network
7. E-mail Marketing
8. Customer Relationship Management

## **ADVERTISING**

Handyanto Widjojo et al (2021) define "advertising is a form of non-personal communication using mass media that can build brand identity, build relationships with customers, increase sales, and convey information" (Hartawan et al., 2021).

Advertising is a form of non-personal communication carried out by non-profit organizations, individuals and businesses through various media and does not require a small fee. Advertising is a form of communication that can be adapted to disseminate information about the use, benefits or benefits of a product to generate purchase intentions. Index advertising in this case is an impersonal form of advertising and presentation, with ideas, services and products at the expense of the proposer.

The standard definition of advertising usually contains six elements :

1. Advertising is a paid form of communication, although some forms of advertising, such as public service advertisements, usually use free dedicated spaces.
2. In addition to the message that must be conveyed to be paid for, in the advertisement there is also a sponsor identification process. Advertisements not only display messages about the greatness of the products offered, but also convey messages so that consumers are aware of the companies that produce the products offered.
3. Efforts to persuade and influence consumers.
4. Advertising requires elements of mass media as a medium for delivering messages to the target audience.
5. Advertising is impersonal.
6. Advertising is an audience. In the advertisement, it must be clearly defined the consumer group that is the target of the message.

### SALES

Sales according to Murti Sumarni (2020), sales can be divided into :

1. Direct selling is a process of helping and persuading one or more potential customers to buy goods or services to act in accordance with certain ideas by using face-to-face communication.
2. Indirect sales, namely the form of percentages and promotion of ideas for goods and services can use certain media such as newspapers, magazines, radio, television, billboards, brochures, and others (Sumarni, 2020).

According to Muslim et al. (2020) purchasing decisions are actions taken by consumers after several steps that end with the purchase of an item or service.

According to Fathoni (2017: 23) "Sales volume is the total amount generated from the sale of goods. The greater the number of sales generated, the greater the possibility of profit that will be generated by the business.

Sales is the process of transferring ownership rights to an item or service from the owner's hand to a prospective new owner (buyer) at a certain price, and the price is measured in units of money. (M. Zainuddin, 2020).

### RESEARCH METHOD

The research approach used in this study is a quantitative approach. This research was designed using explanatory research. The variables contained in this study are digital marketing ( $X_1$ ), advertising ( $X_2$ ) and sales ( $Y$ ). The population and sample in this study were 36 individuals from 30 dealers domiciled in Medan, Binjai and Deli Serdang, the sampling technique used was purposive sampling technique.

### RESULTS

#### Multiple Linear Regression Test

To describe the independent variable ( $X$ ) to the dependent variable ( $Y$ ) used multiple linear regression analysis. In this study the independent variable ( $X$ ) is digital marketing and advertising, while the dependent variable ( $Y$ ) is sales.

This multiple linear regression test is to determine the effect of the independent variable ( $X$ ) on the dependent variable ( $Y$ ).

$$Y = a + b_1X_1 + b_2X_2 + e$$

Description :

- Y : Sales
- $X_1$  : Digital Marketing
- $X_2$  : Advertisement
- a : Constant

**Tabel 1 Multiple Linear Regression Test Results**

Coefficients <sup>a</sup>
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Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	21.711	3.165		6.861	.000
	Digital Marketing	-.218	.126	-.290	-1.733	.093
	Periklanan	.391	.117	.560	3.352	.002

a. Dependent Variable: Penjualan

Based on table 1.1 above, the following regression formula can be obtained :  
 $Y = 21.711 - 0,218X_1 + 0,391X_2$

Description of the regression above is as follows :

A = 21,711 constants indicate that if the placement of the digital marketing ( $X_1$ ) and advertising ( $X_2$ ) variables is 0 then the value of the sales increase variable (Y) is 2.855.

$b_1$  = The digital marketing coefficient value for the  $X_1$  variable is - 0.218 and is negative. This means that if digital marketing ( $X_1$ ) is increased by 1% it will have an effect on increasing sales volume (Y) by -21.8% with the assumption that other independent variables are considered constant.

$b_2$  = The results of the regression equation show the advertising coefficient value for the  $X_2$  variable is 0.391 and is positive. This means that if the promotion strategy ( $X_2$ ) is increased by 1% it will have an effect on increasing sales volume (Y) by 39.1% with the assumption that other independent variables are considered constant.

Among the variables Digital marketing ( $X_1$ ) and promotion strategy ( $X_2$ ), which has more influence on increasing sales (Y) is the variable Advertising ( $X_2$ ) with a coefficient value of 0.391.

### T or Partial Test Results

Partial test ( $t_{test}$ ) is a test used to determine the effect of each independent variable partially on the dependent variable by comparing the value of  $t_{count}$  with  $t_{table}$ .

**Table 2 Partial Test Results**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	21.711	3.165		6.861	.000
	Digital Marketing	-.218	.126	-.290	-1.733	.093
	Periklanan	.391	.117	.560	3.352	.002

a. Dependent Variable: Penjualan

The test results can be stated as follows :

- $H_0$  is accepted if the test statistic ( $t_{count}$ ) is in the demand area. If  $t_{count} < t_{table}$ , it means that  $H_0$  is accepted and  $H_a$  is rejected (no effect), which means that the independent variable has no significant effect on the dependent variable.
- $H_0$  is rejected if the test statistic ( $t_{count}$ ) is in the rejection area. If  $t_{count} > t_{table}$ , it means that  $H_0$  is rejected and  $H_a$  is accepted (influential), which means that the independent variable has a significant effect on the frontal variable.

Based on table 1.2 above, that the significant level is 0.05. Then  $N = 36$ ,  $n-k-1 = 33$ . So the  $t_{table}$  result is 2.035. It can be seen that the  $t_{count}$  value for the digital marketing variable ( $X_1$ ) is -1.733 and the promotion strategy variable ( $X_2$ ) is 3.352.

#### Digital Marketing Variable t Test Results ( $X_1$ )

In table 1.2 above, it is read that the calculated t value for the digital marketing variable is -1.733 while the t table is -1.733 from these results showing  $t_{table} < t_{count}$ . Thus  $H_0$  is accepted and  $H_a$  is rejected (no effect), which means that the independent variable has no significant effect on the dependent variable. So it can be concluded that digital marketing has a negative effect on the sales of Honda motorcycles at PT. Indako Trading Coy.

#### Advertising Variable t Test Results ( $X_1$ )

In table 1.2 above, it is read that the  $t_{count}$  value for the advertising variable is 3.352 while the  $t_{table}$  is 3.285. From these results, it shows that the  $t_{count}$  is 3.352.  $> t_{table}$  2,035. Thus  $H_0$  is rejected and  $H_a$  is accepted. So it can be concluded that the advertising strategy partially positive and significant effect on sales of Honda motorcycles at PT. Indako Trading Coy.

#### F or Simultaneous Test Results

**Table 3 Simultaneous Test Results**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	41.565	2	20.782	5.659	.008 <sup>b</sup>
	Residual	121.185	33	3.672		
	Total	162.750	35			
a. Dependent Variable: Penjualan						
b. Predictors: (Constant), Periklanan, Digital Marketing						

Based on table 1.3 above, that the significant level is 0.05. Then  $N = 36$ ,  $n-k-1 = 33$ . So the  $f_{table}$  result is 3.285. It can be seen that the value of  $f_{count}$  is 5.659, so it can be concluded that  $f_{count} > f_{table}$  is a digital marketing variable and promotion strategy has an effect on increasing sales.

## DISCUSSION

### Digital marketing has an effect on sales of Honda motorcycles at PT. Indako Trading Coy

The results of the analysis show that digital marketing has a negative influence on sales of Honda motorcycles at PT. Indako Trading Coy. This is based on the results of the t-count on the digital marketing variable of -1.733 with a significance level of 0.093. These results mean that the higher the use of digital marketing, the lower the sales of Honda motorcycles at PT. Indako Trading Coy. The results of this study are in accordance with the research conducted by Satria and Hasmawaty (2021) in their research entitled "The Influence of Digital Marketing and Brand Awareness on Sales of KartuAS Telkomsel Products in Palembang Branch".

With the second results of research stating that digital marketing partially has a positive and significant effect on the sales performance of Honda motorcycles. And with research conducted by Ricky Martin, Andre Fitriano, Dessy Novia, Noviyanti Boni, Surniati (2021) in their research entitled "The Influence of Digital Marketing, Brand



Awareness, and Sales Promotion on the Purchase Decision of Lenovo Laptop at PT. Dayamega Pratama”.

Digital marketing is an important factor in increasing sales volume in the future, especially at this time during the COVID-19 pandemic, the PPKM policy (restrictions on movement and community activities) was implemented which aims to suppress and reduce the transmission rate of the Covid-19 virus. People are required to work or study at home, thus the use of digital marketing needs to be increased.

The impact after the implementation of digital marketing by PT. Indako Trading Coy, more and more consumers decide to buy products because of postings and promotions on social media, this greatly affects the expansion of consumer reach and consumer decisions to buy products.

### **Advertising has an effect on sales of Honda motorcycles at PT. Indako Trading Coy**

The results of the analysis show that advertising has a positive influence on sales of Honda motorcycles at PT. Indako Trading Coy. . This is based on the results of the t-count on the promotion strategy variable of 3.352 with a significance level of 0.002. These results mean that the higher the use of promotional strategies, the higher the increase in sales of Honda motorcycles at PT. Indako Trading Coy.

Impact after doing advertising by PT. Indako Trading Coy, more and more consumers are familiar with the company or product and buy Honda motorcycle products. Many consumers decide to buy products because of the way sellers market their products, the way sellers persuade consumers to buy products and the existence of special discounts.

The results of this study are in accordance with research conducted by Mariya Rosyidah (2022) in her research entitled "The Influence of Islamic Marketing, Digital Marketing, and Brand Image on Purchase Decisions as Intervening Variables". With the results of the study which states that advertising partially has a negative and significant effect on the sales performance of Honda motorcycles.

The second articles by Christohn Louse Nangoy and Willem J. F. Alfa Tumbuan (2018) in their research entitled “The Effect Of Advertising and Sales Promotion On Consumer Buying Decision Of Indoision TV Cable Provider”.

### **Digital Marketing and Advertising Simultaneously Affect Sales of Honda Motorcycles at PT. Indako Trading Coy**

Based on the test results simultaneously indicate that digital marketing and promotion strategies simultaneously or together have a significant effect on increasing sales at PT. Indako Trading Coy. This is based on the results of the study which can be seen from the results of the F-count of 5.659 with a significance level of less than 5%, which is 0.008.

By using digital marketing and advertising PT. Indako Trading Coy can attract the attention of consumers who then decide to buy Honda motorcycle products. The existence of advertising that is supported by special discounts when purchasing through digital marketing will make consumers interested and increase their curiosity and provide new experiences for consumers. And digital marketing is useful for reaching a wide range of buyers and as a communication medium between remote sellers and buyers to discuss products and purchases.

The use of social media can be used as an opportunity by business people to reach the community in real terms in conveying information about the products they have. Product promotion through digital marketing, especially social media that is often accessed by young people (millennials), such as YouTube, Instagram, Facebook, and Twitter can ultimately increase sales of these products.

## **CONCLUSION**

There is a less significant effect of digital marketing on sales. Digital marketing is a new thing in society for selling products, so more effort is needed, especially at this time during the COVID-19 pandemic, the PPKM policy (restrictions on community movement and activities) aims to suppress and reduce the level of transmission of the Covid-19 virus. . With the PPKM policy, people are encouraged to work and study from home. Many activities carried out at home cause many people to seek information through digital.

Based on the results of the analysis of the effect of advertising on sales, it shows that the value of sig. t is 0.002, thus it can be concluded that this hypothesis is accepted. This means that there is a significant effect of advertising on sales. The results of this study prove that a good promotional strategy will be followed by an increase in product sales and vice versa, if the strategy owned by a bad consumer will have implications for decreasing product sales.

Based on the results of the analysis, that the significance level of 0.05. Then  $N = 36$ ,  $n-k-1 = 33$ . So the ftable result is 3,295. It can be seen that the value of fcount is 5.659, so it can be concluded that  $fcount > ftable$ , so digital marketing and advertising variables affect sales.

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