

IMPACT OF APPLICATION ADVERTASING AT INTERNET AND MARKETING WITH E-MAIL TOWARD PROCESSING INFOARMATION AND BUYING DECITION OF CONSUMER

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Abstract

Booming of information technology make every unit bussines can be nearly the consumer in spite of via electronic media. One of efort can doing with bussines unit for reach to consumer is using blooming of information technology. The efectif mothode for reach to potencial onsumer at large number is using computer technology especialy with internet.. With applaid e-commerce every bussines unit can reach to global consumer in short time and low cost. Internet have the role not only to information search, but have big potency as marketing media. At Indonesia advertising media with internet not yet usefull using, in spite of at procentase indonesia have higher growing comparison other country at asia pacific for advertasing expenditure. The goals of the reseach is 1). Recite impact of applaid

product advertasing program n internet and marketing with e-mail toward bduying decition after information precessing of internet user, and 3). Recite impact of information processing of respotence toward buying decition.

Factor of precised factors of this research is research variable illustrated scope and relation and which targeting in this research, that are advertasing program, marketing with e-mail, information processing and buying decition. In this research using only 6 primer step of IP model, that are exposure, attention, comprehension, agreement, retention and purchase.

Keynote : E-commerce, Internet, E-mail, Information technology

INTRODUCTION

Recent Information technology development makes the consumers become closer to the companies that sell their products although it is only through electronic media. One of the efforts that can be done by a company to reach for consumers is to make use of the information technology. The most effective way to gain huge potential consumers is to use the computer technology, such as Internet. By applying e-commerce, accompany will be able to gain global consumers in short time and with reasonable fund.

Recently Internet is not only a tool to search for information but also a potentially big marketing and trading media. Internet-

advertising in Indonesia has not been maximally used, although Indonesia is the highest in percentage of advertising consumption growth compared to other countries in Asia-Pasific..

The measurement is using the research that was conducted by Sularto (2007) which is a combination of advertising decision model as advertising program (Kotler, 2005), E-mail marketing model (Kalyanam, 2002), Information processing model (McGuire, 1999) with the main questions: :

1. Does the conducting of product Internet advertising program and e-mail marketing significantly influence the processing of advertising information?
2. Does the conducting of product Internet advertising program and e-mail

marketing significantly influence, both directly and through advertising information processing phase, the purchasing decision of the Internet users?.

3. Does the information processing of consumers or Internet users influence the purchasing of a product?

Aims of the Research

The main purposes of the research are :

1. To examine the influence of the conducting of product Internet advertising program and e-mail product marketing on the advertising information processing by the Internet users.
2. To examine the influence of the conducting of product Internet advertising program and product e-mail marketing on the purchasing decision of Internet users both directly and through advertising information processing phases.

3. To examine the influence of information processing of consumers on the purchasing decision.

THEORITICAL FRAMEWORK

The phase of purchasing process begins with the need and desire to have something. The second phase is the activity to search for information about products and services, such as the place to buy, the products, price, warrant, the weakness and strength of the products, furthermore, information about how to complain if the product is not satisfying. After the phase of searching for information, the decision to purchase can be made based on criteria, expectation values and other values that cover the ethic and attitude of the consumers. The next phase is the behavior of consumption and the last phase is the feeling after purchasing, 'is the product satisfying or disappointing?'. This feeling will influence the attitude and decision of the next purchasing in the future.

Table.1 :
The Development of the Number of Consumers and Internet Users (cumulative)
* Estimation until the end of 2005 (APJII, 2005)

Year	Consumers	Internet Users
1998	134.000	512.000
1999	256.000	1.000.000
2000	400.000	1.900.000
2001	581.000	4.200.000
2002	667.002	4.500.000
2003	865.706	8.080.534
2004	1.087.428	11.226.143
2005*	1.500.000	16.000.000

By the existence of the Internet, the opportunity to market the product through it comes up. Recently, E-mail marketing is getting a lot attentions nowadays. Some of writings in management emphasize the benefits of e-mail marketing (Hans and Reddy, 2000, Clarke 2003). It is emphasized that e-mail marketing is an efficient way to communicate with groups of target and produces high response from customers.

Furthermore, e-mail marketing is stated as out of reach, easily implemented, and fast responded (Martin, et al, 2003). E-mail marketing can be assumed as a tool of e-marketing. E-mail marketing is included into a group of direct marketing communication. Consequently, e-mail marketing is a direct marketing that is managed by on line instrument, namely, e-mail.

According to Kalyanam et.al (2002), e-mail is used for three main functions: The first function, is to promote the product, the second function is to give consumer services, and the third function is to accept questions from consumers. The first function is related to promotional e-mail, the second, and the third functions are related to service related e-mail. Service-related e-mail is an e-mail received by consumers when a transaction between different parties happens. This e-mail contains information related to the transaction. Therefore, it shows that service related e-mail is more or less specific for different consumers and that promotional e-mail is sent in bigger amount than service related e-mail to all or most of the consumers.

The factor studied in this research consists of four research variables -describing the scope, relational pattern and the target that will be accomplished- namely advertising program, e-mail marketing, information processing and purchasing decision.

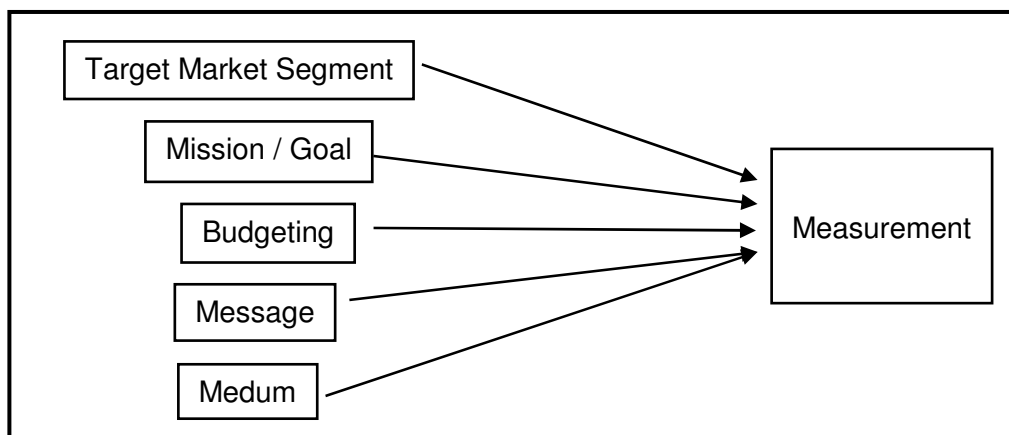
First, the advertising program is required decision to build advertising in general (Kotler, 2005) The advertising program influence the advertising information program of a consumer that consists of four indicators namely, market, mission, message, and medium. (Broussard, 2002; Consterdine, 2005; Gooley, Christopher G., James M. Lattin, 2000; Carlon dkk., 2000; Dravillas dkk., 2003 and Champy et.al., 1997).

Second, *e-mail marketing variabel* can be assumed as a tool of e- marketing. E-mail marketing is included in direct marketing communication (Kalyanam et.al., 2002). This variable also influences the advertising information processing of consumers, especially Internet users (Boon, 2005; Rettie, 2002). This variable consists of two indicators namely, promotional and service related e-mail.

Third, The information processing variable is based on Information-Processing Model / IP Model that is stated by McGuire (1999). This model is one of models based on hierarchy of effects models. The information processing influence the purchasing decision. (Rodgers dan Thorson, 2000). This variable consists of 6 indicators namely, exposure, attention, comprehension, agreement, retention and purchase intension. (McGuire, 1999)

Fourth the purchasing decision is representative of Internet consumer decision that stated by Champy et.al (1997). This variable is used as measurement of advertising performance. This variable consists of six indicators namely, range, attention, comprehension, interaction, networking, and purchasing (Champy et al. , 1997). Detail information of the relation pattern and the conceptual influence of each variable above are described below:

FIGURE 1
The Relation between Advertising Decision Variables
(The completing of sox model of advertising decision)



In this research, only six main phases of IP model that are used, namely, exposure, attention, comprehension, agreement, retention, and purchase intention. This is based on the research conducted by Sengupta (2005). He connected information processing models with advertising performance, meanwhile, the purchase behavior variable in McGuire's IP models (1978) is replaced by purchase intention because it should be in line with the influenced variable, namely, purchasing decision in which the replacing is based on consumer decision model stated by Howard, J and Sheth, J (1988) in zuraida's writing (2001) in which it is proven that purchahse intention influence the real purchasing.

RESEARCH METHOD

Consumer's decision procees as the rsult of advertising expoosure generraly begins with the introduction of neec, information searching, alternative evaluation, and the last is purchasing and satisfactory (Sumarwan, 2003). However, for the decision process of Internet purchasing, Champy et.al (1997) arrange a new model as described below:

1. *Knowledge*: to search information of a product to have an understanding..
2. *Interaction*: to communicate with producer.
3. *Networking*: to interact with other consumers that have similarities in need and experience.
4. *Sensory experiences*: to use sensory input such as, pictures, and sounds before making purchasing decision..
5. *Ubiquity*: to acquire all of consumer's need in line with the time and place wanted by consumers (not producers).
6. *Aggregation*: to meet a number of services related to consumers in the certain place.
7. *Customization*: to adjust the product in line with consumer's needs.

Considering this purchase decision is a variable used to measure the advertising performance and the influence the e-mail marketing, the model satted by Chapy et.al (1997) need to be modified into range, attention, comprehension, interaction, networking, and purchasing.

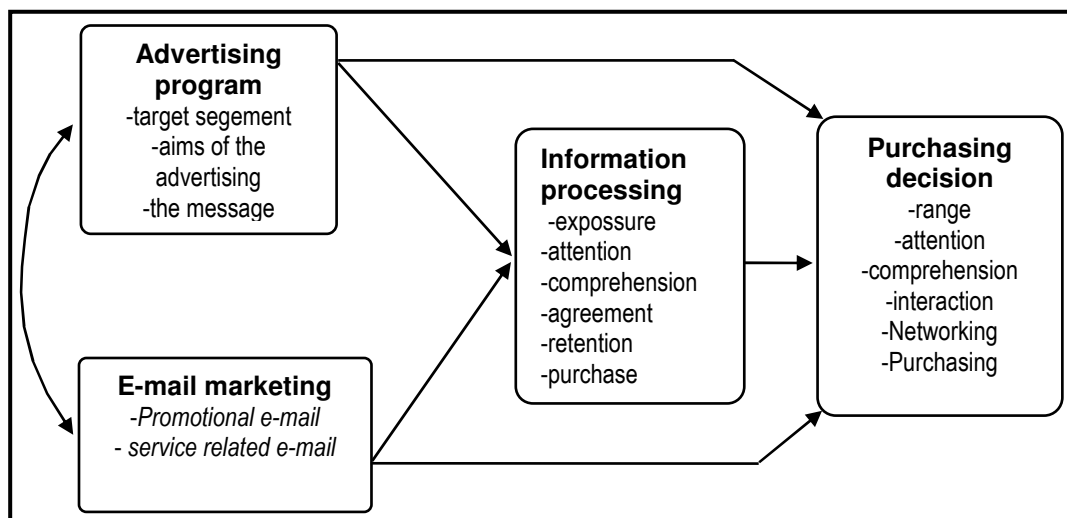


Figure 2 Research Model Used

In this research model, the advertising program on the Internet and simultaneously

e-mail marketing influence advertising information processing of the Internet users. This processing influences the purchasing decision. The Internet advertising program

and simultaneously e-mail marketing directly influence the purchasing decision, and indirectly influence it (through information processing). The measurement of advertising performance program on the Internet, e-mail marketing, advertising information processing, and purchasing decision through Internet in this model are measured from consumers' perception.

RESULT OF THE RESEARCH

The research conducted by Sularto (2007) aimed to test empirically the influence of Internet advertising program and e-mail marketing on the information processing and purchasing decision of Internet users in Indonesia. The empirical testing method is done by structural equation modelling (SEM) approach toward primary data of the result of questionnaires that are given to 340 Internet users in Jakarta, Bogor, Depok, Tangerang, and Bekasi. Based on the result of the test and analysis, it can be concluded that:

First. The result of the analysis and discussion shows that based on Internet users' point of view Internet advertising program and e-mail marketing both influence the information processing. The result indicates that the more Internet advertising program conducted, the more e-mail marketing conducted, therefore, information processing of the consumers is getting better. The result of the research also shows that advertising program has bigger influence than e-mail marketing. The information processing conducted by Internet users shows that the consumers' level of knowledge of the advertising exposures on Internet as the first phase of information processing- a variable mostly influenced this factor-, and then followed by second phase of information processing that is the consumers' intensity in searching further information about the advertising they acquire.

Second, the perception of Internet users about Internet advertising program and e-mail marketing both influence the purchasing decision directly and through information

processing phases. The direct influence of Internet advertising and e-mail marketing on the purchasing decision is bigger than the influence through information processing of Internet users. The result indicates that the more Internet advertising program conducted, the more e-mail marketing conducted, therefore, information processing of the consumers is getting better. The result of the research also shows that e-mail marketing has bigger influence than advertising program on the purchasing decision. The purchasing decision of the Internet users shows that the click level of consumers toward the advertising to acquire further information, as the second phase of purchasing decision, is the variable that mostly influenced by this factor.

Third, the result shows that information processing of Internet users influence the purchasing decision. The result indicates that the higher the phase of information processing, the higher purchasing decision. Therefore the purchasing decision of consumers is getting higher. Thoroughly, the result shows that Internet advertising and e-mail marketing influence the purchasing decision through information processing phases. The result of line of influence analysis from the two free variables shows that the indirect effect of advertising program has bigger power than effect that is given by e-mail marketing toward the purchasing decision through information processing phases of Internet users. It is different from the direct effect of advertising program and e-mail marketing variable toward the purchasing program where e-mail marketing has bigger power than advertising program.

CONCLUSION

First, the result of the analysis and discussion shows that based on the point of view of Internet users, Internet advertising program significantly has positive influence on the information processing, in contrast, e-mail marketing is not proven to have real influence on information processing.

Second, the perception of Internet users about Internet advertising program and e-mail marketing shows that Internet advertising program is proven does not influence the product purchasing decision of consumers both directly and indirectly.

Third, the result shows that information processing of consumers or prospective consumers is not proven to have influence on the purchasing decision.

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