Analysis and Proposed Strategies to Improve Consumer Purchasing Decisions on Sean's Production Houses Through the Website

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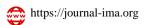[3]arianis.chan@unpad.ac.id; [4]pratami@unpad.ac.id

Abstract

Sean's Production House is a company that specializes in branding & design, social media management, photography and digital marketing. GWI (Q3 2021) shows that 60.6% of people buy products or services online. This fact shows that the internet marketing and selling market is very large in Indonesia, so the market for Sean's Production House is very broad. However, after two years, only some consumers make purchasing decisions through the website. Companies need to spend a lot of money to create a website; the effort is also a lot. Due to these reasons, Sean's Production House closed its website in early 2022 because it was not making a profit. Sean's Production House requires the right business strategy to overcome this. After observations and interviews, the researcher realized that several factors made potential customers hesitate to purchase through the website. These factors relate to the gap between consumer expectations and the implementation of the website. Design thinking analysis is used to make a strategy to overcome it.

Keywords: Business Strategy, Purchase Decision, Website

Introduction

In the business marketing process and strategy implementation, digital technology has had a significant impact. Internet marketing is an option for companies, both those that are just starting and those that are already growing. The internet has changed people's lifestyles in various aspects, such as behaviour in buying a product. Purchasing products that can already be done via the internet is an opportunity for the company. Based on data from APJII, the number of people using the internet in Indonesia will be 210 million in 2022, an increase of around 35 million people from 2021. GWI Q3 (Nurdian, 2022) also shows that 60.6% of people buy products or services online. These two facts show that the market for marketing and selling via the internet is very large in Indonesia. In addition, data from the Minister of Cooperatives and SMEs, Teten Masduki (Yanwardhana, 2021), shows that since 2020, more business owners have switched to online sales, reaching 8 million. The Covid-19 pandemic factor is one of the reasons business people are starting to dare to build a business online.

Sean's Production House is one of the youngest start-up companies in Batam, Indonesia. This Production House was established in January 2019 and was built from the creativity of young people, an energetic team with new ideas, innovative concepts and solid teamwork. This company is engaged in services that offer branding & design services, social media

management, digital marketing, and photography & video. The company sees an increase in online business marketing as an opportunity in the future. Sean's Production House targets its services for all people or companies who want to optimize their business marketing online, especially those in Batam; moreover, this company is the first creative production house in Batam.services for all people or companies who want to optimize their business marketing online, especially those in Batam; moreover, this company is the first creative production house in Batam.

According to data from the CEO of Sean's Production House, Sean Clara, it is stated that their company's website does not affect client purchasing decisions. According to her, clients that companies rarely get open websites to find out about a brand or company; this is caused by many companies or business actors who need to update their websites. The update in question can be in the form of prices, opening hours, location on maps, and others. Therefore, Sean's Production House stopped operating its website at www.seansph.com because it was unprofitable. After all, the operational costs of running a website were quite high.

Based on the description of the background where there is unusual Sean's Production House consumer behaviour and the absence of a formally developed business strategy, this study tries to devise a strategy to increase purchasing decisions related to the services provided by Sean's Production House through the website. So that the company can survive—and even develops during intense competition and changes that occur. This research aims to generate new strategic ideas that Sean's Production House has yet to use or develop.

Literature   Review

Consumer Behaviour

Consumer behaviour can be described as the actions consumers take to find, buy, use, value, and pay for goods and services that they believe will fulfil their needs (Kanuk, 2010). On the other hand, *consumer behaviour* is defined by Suryani (Suryani, 2013) as the study of people, groups, and organizations, as well as the procedures used to select, obtain, utilize, and discontinue goods, services, experiences, or ideas to meet their needs and impact on consumers and society. Studying and analyzing consumer behaviour is difficult because many factors influence it.

Understanding consumer behaviour is essential because they will have different desires, views, attitudes and tastes depending on the environment in which they are located. Characteristics such as cultural, social, personal, and psychological influences on consumer behaviour must be considered (Philip Kotler, 2015). The following are four factors of consumer behaviour:

1. Cultural factors
   This factor is the most fundamental factor in determining behaviour and desires that influence beliefs, perceptions, preferences, and other essential actions. Marketers need to understand the role of culture, subculture, and social class of consumers.
2. Social factors
   Social classes are relatively uniform, enduring, and hierarchically organized segments of society whose constituents share similar ideals, interests, and behaviours. Income is one component that determines social class, but social class is valued as a mix of occupation, income, education, wealth, and others. Individuals of various classes maintain specific responsibilities within some social system and cannot move up or down the social scale. In addition, consumer behaviour is also determined by a group, family, and a person's role & status.
3. Personal factors

This psychological trait distinguishes individuals from others and causes them to react to their environment in predictable and enduring ways.

4. Psychological Factors

Motivation, perception, learning, and beliefs and attitudes are the four main psychological elements influencing a person's buying decision.

Buying decision

Thompson (Thompson A., 2013) defines *purchasing decisions* as "activities or behaviors that arise in response to objects". Making a decision means making judgments and choosing options. After doing many calculations and weighing various options, this choice was made. There are various stages that a decision-maker may go through before making a decision. This phase can involve defining the main problem, gathering potential solutions, and making the best choice. Consumers often consider quality, price, and goods are known to the general public among the many aspects influencing their decision to buy goods and services. The consumer's choice to purchase is the culmination of several decision-making phases.

Kotler and Keller (Philip Kotler K. L., 2016) state, "The purchase decision is the evaluation stage, the consumer forms preferences between brands in the choice set. Consumers may also form an intention to buy the most preferred brand. In carrying out the purchase intention, consumers can form five sub-decisions: brand, dealer, quantity, timing, and payment method". According to Kotler and Keller, the following factors influence purchasing decisions:

1. Product selection
2. Brand selection
3. Selection of dealers
4. Time of purchase
5. Purchase quantity
6. Payment methods

Website

A website is a searchable database of information in text, scripts, still or moving images, animation, sound, or a mixture of these. Each system on the website is connected with page links (Bekti, 2015). Consumers will find it easier to learn more about the company's offerings with a website. Consumers can more easily conclude the superiority of a product or service with the help of information they find on the website, making it easier for them to make decisions and desire the goods provided by the company.

WebVisible/Nielson found that 80% of respondents researched goods or services online before making a purchase, and 82% said they had used the internet to identify local companies. As a result, internet commerce is overgrowing because it is easier to get product information (Fox, 2010).

Website quality indicators are divided by researchers into five categories (Kim Hyejeong, 2009), namely:

1. Security, which can offer assurance of trust and privacy
2. Comfort, which can evoke strong emotions, has an imaginative and visually appealing design
3. Information, namely offering information that is reliable, practical, of high quality, and relevant to the main objective
4. Convenience, available information makes it easier for consumers to process and understand it
5. Quality of service and providing comprehensive online customer service

The Relationship between Buying Decisions and Website

Consumers use websites to make it easier for them to find information related to a product or service. With a website that fulfils security, convenience, information, and service quality, it becomes easier for consumers to make purchasing decisions. According to Stefanie (2012: 13), the intensity of website use and the contents of website messages significantly affect purchasing decisions through websites.

Design Thinking Framework

In an ongoing process known as design thinking, we seek to understand consumers, question preconceived notions, and reframe problems to find potential other approaches and answers that may not be immediately evident at the initial level of knowledge. Design thinking offers a solution-based approach to tackling problems at the same time.

Design thinking is a strong desire to understand the target market for the goods or services being created; this helps our ability to observe and cultivate empathy for the target consumer. Inquiring about issues, assumptions, and relationships is a process aided by design thinking. By reframing problems in a human-centred way, design thinkers can generate multiple ideas during brainstorming sessions and take a hands-on approach to prototype and testing. Design Thinking is very helpful in solving confusing or unfamiliar challenges. Sketching, prototyping, testing and experimenting with different thoughts and ideas are all part of design thinking.

There are five stages in the design thinking process (Han, 2022), namely:

1. Empathize. Developing an empathetic awareness of the problem design thinking is trying to solve is the first step in the process.
2. Define. The define stage is carried out to examine and synthesize observations to identify the fundamental problems that have been found.
3. Ideate. Designers are ready to start generating ideas in the third stage of the Design Thinking process. With a solid foundation, we can start "thinking outside the box" to find new approaches to our formulated problem and explore different points of view on the problem.
4. Prototypes. In this experimental phase, which follows the previous three, the best solution for each identified problem has to be found.
5. Test. Changes and enhancements were made during this phase to get the most comprehensive understanding of the product and its consumers while removing potential issue solutions.

Research Methods

Type of Research

The research method used in this study is qualitative research, which aims to understand phenomena such as behaviour, perceptions, motivations, actions, and others experienced by the research subjects. This type of research is included in the category of descriptive research, which only summarizes or characterizes various circumstances, events or factors.

Methods of Collecting Data

The following is a table regarding data collection methods which are summarized in the table below:

Table 1. Data Collection Methods

No.	Analysis Step	Required Data	Data Source	Method of Collecting Data	Results
1	Analysis of current performance and, vision & mission	Current performance and, vision & mission	Corporate social media Management	Document study Interview	Company goals and objectives
2	Website analysis	Consumer expectations about websites and websites that the company has implemented.	Management Consumer Sean's Production	Interview	The gap between consumer expectations and website
3	Design thiking analysis (until step 3 only)	Proposed strategies for Sean's Production House and companies with similar company conditions	Internet (journals, research results) Management	Document study Interview	List of strategies that can be implemented by Sean's Production House to improve purchasing decisions through the website

Processing and Data Analysis

The analytical method used in this study is a qualitative analysis method that begins with data collection by conducting document studies, internet studies, informal discussions, or interviews. The data obtained will then be reduced to determine the relevant data to use. After that, an analysis is carried out based on the data that has been obtained. The process of processing the data in the interview is as follows:

1. Make notes or record the results of the interview
2. Changing audio data into written form
3. Analyze the results of the interviews
4. Conclude the data - data obtained.

Discussion

Sean's Production House, established in January 2019, was built from the creativity of young people, an energetic team with new ideas, innovative concepts and solid teamwork. This company specializes in branding & design, social media management, photography, and digital marketing. Sean's Production House helps companies or individuals create innovative and creative campaigns by producing great messages for their audiences. Sean's Production House continues to upgrade itself with the latest trends, always provides the best quality, and focuses on making authentic works while focusing on every detail and message.

In Sean's Production House consumer journey, consumers will gain awareness and pass consideration through various ways, one of which is through the website. Since the inception of Sean's Production House, this company has started branding and selling its services through its website. Apart from using the website, the company also uses social media platforms such as Instagram and Facebook for its marketing activities. The advantages possessed by the website should be able to make up for the disadvantages of social media, such as being free to customize the design, having broad platform functions, and being easy to appear on search engines. Sean's Production House initially attracted potential customers through social media. Then, the company

directs consumers to the website to make purchases. They put a website link in their Instagram bio so that when a potential customer is interested in buying, they click on the link to make a purchase. Interestingly, in the case of Sean's Production House, only some consumers make purchasing decisions through the website. To create a website, companies need to pay for hosting and domains. The effort spent on making a website is also not small. Everything is handled by the company, from selecting designs and managing content to updating themes and plugins, including security and website speed. In addition, because its use is more involved than social media, companies must hire people to handle the website. Because of these several things, Sean's Production House closed its website in early 2022 because it did not provide profits but made a loss. Sean's Production House has focused on managing social media and directing consumer purchases via WhatsApp in the last ten months. Even so, purchases via WhatsApp could be more optimal, so the company is still looking for ways to increase purchasing decisions through the website.

Sean's Production House Website Analysis

Sean's Production House focuses on meeting consumer expectations for its website to improve consumer purchasing decisions. Based on Yohana's view in Yunita (2017), consumer expectations are consumer beliefs before trying or buying a product which is used as a standard or reference in assessing the product's performance. Based on data from interviews conducted with two Sean's Production House customers, Tomy and Alex, they have some hopes for the Sean's Production House website. Tomy owns the fashion brand Jose Daroca which sells products such as bags and shoes. Tomy has used the services of Sean's Production House to manage his social media from September 2020 to December 2022.

Meanwhile, Alex is the owner of Mehr Kaffee, a brand in the food & beverages sector. Alex has been using the services of Sean's Production House to manage Mehr Kaffee's social media and also product photography services since July 2020. As consumers, they have several hopes for the company's website, which will be broken down below.

1. The biggest hope of consumers lies in easy access and a user-friendly website; this means that the website must have a neat website structure, be mobile-friendly, and be easy for consumers to read. Apart from that, their expectations are also the convenience of the sign-up and check-out process and the website's speed; this is done so that consumers can easily find the information they need immediately. A user-friendly website can also help companies improve purchasing decisions more quickly because it makes it easier for consumers to get the information they need.

2. Website with complete information; this means that as a platform for making transactions, websites must be able to provide as much detailed information as possible, either through writing, photos or even videos. For example, a catalogue menu on a website can make it easier for consumers when studying or browse service offers from companies. The catalogue can be equipped with prices, what is included, terms and conditions at the time of service delivery, examples of service results, and others. Apart from that, a list of FAQs can also be made so that consumers can easily make purchasing decisions without having trouble finding information.

3. Guarantee of consumer data security. With the rise of data theft, leakage, and misuse of personal data in recent times, consumers are increasingly aware of every data provided to companies. The more sophisticated the technology, the more privacy threats to consumers are felt, given the many phenomena of data leakage that have occurred in Indonesia. Not to mention that government regulations regarding personal data protection have yet to be ratified. This privacy threat is becoming increasingly real, so the security guarantees provided by the company can make consumers feel more secure and comfortable in making transactions on the company's website.

4. The availability of functional features, such as live chat, can make it easier for consumers to communicate with companies (service bidders) and a product review column to look for references from other people. Besides that, a wishlist feature so that they can easily store products that consumers are interested in and offer product recommendations. Sometimes, visitors want to ask directly about product information or promos or to validate the product's superiority through other people who have already purchased it. Detailed features like this unknowingly make it easier for consumers and make consumers able to stay longer on a website.

5. A website that is a one-stop solution for its customers; the company not only offers products on its website but also offers other solutions to consumer problems until they are entirely resolved. For example, a website provides product photography services with two editing revisions. However, consumers' difficulties continue; they also need help promoting it into something that sells. They can order social media management services. Another problem may be the high price; the solution is that the company can provide a unique website promo for consumers who are purchasing for the first time. The point is that the website can answer all its consumers' problems.

From the results of these interviews, there are different expectations from consumers for a website, starting in terms of information, security, comfort, quality of service, and convenience. However, the problem is about the implementation of the website made by Sean's Production House, whether it has met all consumer expectations or not. Based on a separate interview conducted with the CEO of Sean's Production House, Sean Clara, the company has implemented several websites implementations.

1. Sean's Production House routinely writes exciting and relevant articles at least once a week on the website www.seansph.com. The article discusses business, social media marketing, and digital marketing. These articles are interspersed with exciting articles on trending topics at the time with the aim of these articles appearing on the first page of Google search. For example, articles about the 2020 horoscope, Korean boy band BTS, and others.

2. Sean's Production House website is user-friendly. The website can access by mobile, the structure is neat with three pages (main page, product, and checkout), the website loading performance is already at 70-80, and it is easy for visitors to understand. Apart from that, the website design also uses white colour, which uses as a user-friendly standard, and a good font combination. Information related to each product has been explained so that there is a clear understanding of when the company delivers its services.

3. Sean's Production House website already provides a chatbot feature to interact by translating questions and being able to respond to consumer questions more quickly. A chatbot can serve every incoming chat without knowing the time limit. The language can also be global because chatbots are designed to communicate in any language. However, to establish a closer relationship with consumers, the company's website also provides contact information, such as social media accounts, office addresses, hours of operation and email addresses. That way, potential buyers will be clear when they want to ask questions or interact with Sean's Production House, especially since this business is a service business.

4. The payment method can be made by bank transfer to the company's BCA bank. These payments can be made anywhere and anytime, and there are many media, such as ATMs, internet banking, or mobile banking. Of course, it is also safer for consumers because they do not provide personal data related to their ATM so that consumers can feel more secure without fear that their card will misuse at the risk of data theft.

Several consumer expectations could be improved based on several website implementations by Sean's Production House.

1. Sean's Production website prefers chatbots rather than live chat. Consumer expectations with live chat that humans directly manage are the answer to all customer complaints personally. Live chat can handle more complex customer demands without leaving the website and

switching to another platform (e.g. email). However, the company does not do this because live chat manages by humans, which can only sometimes be available. With this in mind, the company does not have a live chat.

2. Sean's Production House website still needs to provide other functional features, such as product review columns and wishlist features. Companies prefer to include a portfolio of their services on the website and create testimonial content through social media. There is no specific reason for not making these features because the company considers social media to be used more for marketing activities, while websites are for transactions.

3. A website that is a one-stop solution for consumers. Even though Sean's Production House products have been able to answer all consumer branding problems, the company still needs to implement a promo strategy to attract consumers in purchasing decisions. The company occasionally makes promos on certain days. However, with the high enough price, consumers who have never made a purchase are sometimes reluctant to buy their products because several creative agencies provide lower prices.

These three things become a gap between consumer expectations and the implementation of the website provided by Sean's Production House. Even so, based on in-depth interviews conducted with two consumers of Sean's Production House, when measured by several dimensions of purchasing decisions, according to Kotler, most of the implementation of the company's website has met the purchasing decision indicators.

1. Product selection, the indicators are the need for a product, the diversity of product variants, and product quality. As times progress, the need for companies or people to do branding increases. The products provided by Sean's Production House are comprehensive, from starting services for making collateral brands to turning them into sales with digital marketing services. According to Sean's Production House consumers, the quality of the products provided by the company is also excellent.

2. Brand selection, the indicators are brand trust and popularity. Consumers know this company through recommendations from those closest to them, so that trust grows. In addition, the company's website also plays a role in building the company's credibility, thereby increasing consumer confidence. The company also actively conducts marketing activities through social media to increase brand popularity so that many people know it.

3. Selection of dealers, the indicators are the ease of obtaining products and product availability. Sean's Production House's services can quickly obtain through the website and social media.

4. Purchase time the indicator is the time of consumer purchase (for example, someone buys once a week or once a month). In this case, the consumer immediately takes the one-year package so that the purchase time is once a year.

5. Number of purchases, the indicator is the need for the product. The service Sean's Production House offers to the consumers I interviewed is social media management, which offers 10-week, 6-month or 1-year packages so that no absolute purchase amount can identify. However, according to consumer requests, consumers get unlimited posts with the one-year package.

6. Payment methods, the indicators are the ease of transactions and the completeness of the methods provided. The company only provides transactions via bank transfers. This limited transaction can increase the risk of transaction cancellation. In addition, the bank transfer method requires companies to check consumer payments one by one, so it takes longer and could be more effective.

Of the six dimensions, the method of payment has yet to be fulfilled by Sean's Production House, so this point can be one of the factors for optimizing the website to increase purchasing decisions.

Proposed Strategies to Improve Purchasing Decisions through the Website

With the gap between consumer expectations and website implementation done by Sean's Production House, companies can optimize their websites to improve consumer purchasing decisions. It can be analyzed with a design thinking framework to see the possibilities that exist and what kind of strategy can be carried out.

After observations and interviews, the researcher realized that several factors made potential customers hesitate to purchase through the website; this relates to the gap between consumer expectations and the implementation of the website. In addition, the company still needs to fulfil the dimensions of purchasing decisions.

1. Prospective consumers hope that the website will provide a live chat feature, while the company has provided a chatbot feature. Companies can add a live chat feature during working hours as a solution. Outside of the specified time, companies can activate the chatbot feature for consumers to make it easier for them to get the information they need. Research on the effectiveness of chatbots (final 2022) shows that chatbots are very important for running a business because they have many benefits, including saving the customer time and available 24-hour service. Besides saving on customer service costs, using bots can also be the best supporter in improving the customer experience. Meanwhile, live chat can make customers feel closer to the company because they immediately get an emotional connection by interacting with humans. These two features can collaborate.

2. Prospective consumers expect functional features, such as review columns. The company does not provide this feature, so potential customers cannot find testimonials from other consumers. As a solution, companies can create a review column feature and encourage consumers who have already purchased to provide a review; by giving a discount voucher for the next purchase. According to research on (calja), reviews and ratings are very important and affect consumer buying interest; websites must use reviews and ratings as one of the leading marketing tools by increasing the use and giving of these reviews and ratings.

3. Consumers who have never made a purchase are sometimes reluctant to buy their products because several creative agencies offer lower prices. As a solution, companies can provide promos to potential customers making purchases for the first time to trigger them to feel the quality provided by the company. As Bob Phibbs, The Retail Doctor, said, "The reality is you will have to do a better job of displaying and selling it to justify selling it at that higher price. If you do these things, you'll gain loyal customers willing to pay a little more for your product because they appreciate the extra effort you've put forth to get it into their hands."

4. The payment method only uses bank transfers. As a solution, companies can provide a complete range of payment methods. With that many choices of methods, prospective buyers can handle the hassle during the checkout process. According to Handayani, there is an influence between the payment method and the ease of transaction on purchasing decisions.

Conclusion

Based on this discussion, the low purchase decision through Sean's Production House website is caused by a gap between consumer expectations and the website implementation the company has made. There are four strategies to improve Sean's Production House consumer purchasing decisions through the website. The company can add a live chat feature during working hours, create a review column feature, provide promos to potential customers the first time they make a purchase, and provide a full range of payment methods.

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