

The Role Of Price, Promotion, And Viral Marketing In Improving Swiwings Chicken's Customer Satisfaction

Ardhian Hadi Mahendra, Diah Yulisetiari, Arie N. Subagio

Abstract— This study aims to analyze the effect of price, promotion, and viral marketing on the satisfaction of consumers of Swiwings Chicken in Jember, Indonesia. The population in this study are swiwings chicken Instagram followers at Jember @ swiwings.idn. The sampling method used was purposive sampling with the number of respondents as many as 112 people. The independent variables used are price, promotion, and viral marketing and the dependent variable is consumer satisfaction. The analytical tool used is multiple linear regression analysis. The results of the study show that: 1) There is a significant positive effect of price on consumer satisfaction at Swiwings Chicken in Jember. 2) There is a significant positive effect of promotion on consumer satisfaction at Swiwings Chicken in Jember. 3) There is a significant positive effect of viral marketing on consumer satisfaction with Swiwings Chicken in Jember and; 4) There is a significant positive simultaneous influence on price, promotion, and viral marketing on consumer satisfaction at Swiwings Chicken in Jember.

Index Terms— Price, Promotion, Viral Marketing, Consumer Satisfaction

1 INTRODUCTION

The digital millennial era requires people to continue to develop in all fields. The field of technology and industry are two fields that are developing very rapidly, which have an impact on human life, especially in the field of business. Companies that are engaged in food and beverage sector began to emerge, including in Jember Regency, precisely in East Java Province, Indonesia. Businessmen are fighting over consumers by marketing products through online and offline marketing. One of them is Swiwings Chicken which is a start-up company struggling in the field of fast food. This company is offering fried chicken wing products mixed with various sauce. To be able to compete in the food business which focuses on chicken wings, Swiwings Chicken should set effective and efficient marketing. Its segmentation focuses on young people around the age of 13-29 years so they have their own opportunities and challenges for the company. Consumers who already understand technology and social media will identify the product through social media especially on Instagram media. Consumer satisfaction can be affected by several factors, one of which is price. According to Yulisetiari (2014), price has significant effect on purchasing decision in online shopping. The price set by the online shop is matched with customers expectation. It can be concluded that price has a positive and significant effect on consumer satisfaction. When price has an influence on customer satisfaction, it means that price offered is in

accordance with consumer expectations. Consumer satisfaction also considers aspects of promotion. Consumers expect conformity between prices and promotions offered. Morissan (2007) stated that promotion is a coordination of all efforts that begin to sell goods and services or introduce an idea. Management strategies that will be used by the company are considered as one specific type of planning. Viral marketing factors also influence consumer satisfaction. Viral marketing has an important role in customer satisfaction, this is in accordance with the findings of Mohammed (2017) that viral marketing has a significant and positive effect on consumer satisfaction. Consumer satisfaction is an important factor for the existence and continuity of the company's development. Today, many companies are increasingly understanding the importance of customer satisfaction and implementing strategies to provide satisfaction to consumers. Consumers who are satisfied with goods and services offered by a company are also encouraged to repurchase the good. Companies that are able to satisfy consumers will be able to increase profits and market share because there are repeat purchases from consumers. The results of research conducted by Yulisetiari (2016) who proves that consumer satisfaction has a positive effect on customer loyalty and satisfaction.

2 LITERATURE REVIEW

2.1 The Effect of Price on Consumer Satisfaction

Alma and Hurriyati (2008: 115) argue that price is money as a medium of exchange to obtain products or services that consumers must provide to producers, and among other elements of the marketing mix, price is the only element that generates costs. Price is also the only element of the most flexible marketing mix. Price is a number of values that consumers exchange for a number of benefits by owning or using an item or service. Price is what consumers pay attention to when making a purchase. Some consumers even

- Ardhian Hadi is an undergraduate student from Faculty of Economics and Business, University of Jember, Indonesia. Email: ardhianhadi@gmail.com
- Diah Yulisetiari is a lecturer at Faculty of Economics and Business, University of Jember, Indonesia, E-mail: diahhyuli@unej.ac.id
- Arie N. Subagio is a lecturer at Faculty of Economics and Business, University of Jember, Indonesia, E-mail: lecture.feunej@gmail.com.

identify prices with value. When a product requires consumers to spend more than the benefits received, it means that the product has a negative value. Consumers might think of a bad value and then reduce consumption of the product. If the benefits received are greater, it means that the product has a positive value (Lupiyoadi and Hamdani, 2006: 99). Affordable prices can be a powerful weapon in the face of market competition, because price is the most noticed attribute benefit when facing a price-sensitive Indonesian market. The higher the price offered is not a problem for consumers, but it must be balanced with product availability, product quality, according to the needs and desires of consumers so as to increase customer satisfaction. Based on the description of the theory and empirical studies, the hypothesis can be stated as follows.

H₁: Price has significant effect on Swiwings Chicken's consumer satisfaction in Jember.

2.2 The Effect of Promotion on Consumer Satisfaction

Promotion is a media to introduce an item and service or strengthen the brand image of a product that already exists before (Halim, 2010: 45). The role of promotion is to communicate and influence consumers in order to receive products produced by the company. Promotion is a means to provide information to consumers and aims to influence consumers in buying. Therefore, promotion is one of the determinants of the success of a marketing program. No matter how good a product is, if the consumer has never heard it and is not sure that the product will provide benefits to the consumer, then the consumer will not buy it, therefore the company needs to increase promotional costs so that it can influence consumers and provide more information in the satisfaction process consumer. Based on the description of the theory and empirical studies, the hypothesis can be stated as follows:

H₂: Promotion has significant effect Swiwings Chicken's consumer satisfaction in Jember

2.3 The Effect of Viral Marketing on Consumer Satisfaction

The advantage that viral marketing can do is its ability to duplicate marketing communication activities throughout the internet. Because the internet network is not limited by time limits and geographical zones, it allows marketing communication to spread and expand to all internet users in all parts of the world. According to Natasya, et al (2014), the key to viral marketing is to get website visitors and recommend it to those who will later be considered interested. They will connect the message to potential consumers who will use the goods or services offered and recommend it to other consumers. Consumers will be more interested in a product that has been bought by friends, family or neighbors. More trust their opinions and are easily influenced by what they do. Based on the description of the theory and empirical studies, the hypothesis can be stated as follows:

H₃: Viral marketing has an effect on Swiwings Chicken's consumer satisfaction in Jember

2.4 The Effects of Price, Promotion, and Viral Marketing on Swiwings Chicken Customer Satisfaction in Jember

According to Kotler and Armstrong (2008: 364) prices are a determining factor of satisfaction, because prices are the amount of value that consumers exchange for the benefit of owning and using products or services. According to Tjiptono, (2007: 164) promotion is a form of marketing communication which is an activity that seeks to disseminate information, influence / persuade, and / or increase the target market of the company and its products to be willing to accept, to buy, and be loyal to the products offered by the company. Armstrong and Kotler (2004: 122) stated that viral marketing is an internet version of word of mouth, which involves messaging via email or viral marketing. This factor of promotion and viral marketing offers many emotional aspects in influencing consumer satisfaction. Based on the description of the theory and empirical studies, the hypothesis can be stated as follows:

H₄: Prices, promotions, and viral marketing simultaneously influence consumer satisfaction at Swiwings Chicken in Jember.

3 METHODOLOGY

This study uses quantitative approach. Types of data in this study is primary data obtained from distributing online questionnaires to the respondents. The sample of this study is 112 consumers of Swiwings Chicken products. The sampling technique used was purposive sampling. The sample criteria are Instagram @ Swiwings.idn followers, and respondents who have bought Swiwings Chicken products. This study uses multiple linear regression methods with the SPSS program (Statistical Product and Service Solution). The independent variable in this study are price, promotion, and viral marketing and the dependent variable is consumer satisfaction. Below is the conceptual framework of this study.

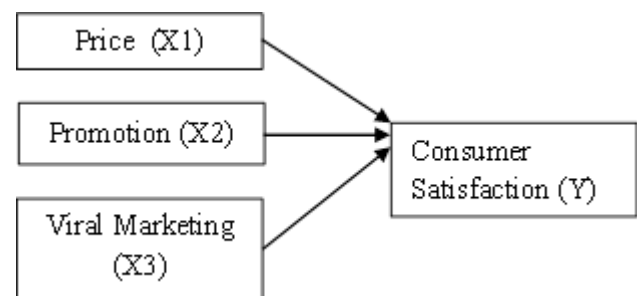


Figure 1 : Conceptual Framework

4 RESULT AND DISCUSSIONS

4.1 Results

Multiple regression analysis is used to determine how much influence the price, promotion, and viral marketing variables have on consumer satisfaction. The regression test results will be known whether the variable price, promotion, and viral marketing can be a significant predictor for the variable customer satisfaction. The results of multiple linear regression analysis are as follows:

Table 1. The Result of Multiple Linear Regression Analysis

Variabel	Coeff.	Sig.	Conclusion
Constant	1,362	-	-
Price (X ₁)	0,158	0,024	Significant
Promotion (X ₂)	0,236	0,000	Significant
Viral Marketing (X ₃)	0,204	0,021	Significant

Source: SPSS Output, 2019

Based on Table 1, these results can be obtained by multiple linear regression equations as follows:

$$Y = 1,362 + 0,158X_1 + 0,236X_2 + 0,204X_3 + e$$

The Result of t-test

Hypothesis testing carried out is t-test to examine the effect of each independent variable on independent variable. In this study, t-test was conducted to determine the partial effect of price, promotion, and viral marketing on customer satisfaction of Swiwings Chicken in Jember. The t test results are as follows:

Table 2. The Result of t-test

Variable	α	Sig.
Harga (X ₁)	0,05	0,024
Price (X ₁)	0,05	0,000
Promotion (X ₂)	0,05	0,021

Source: SPSS Output, 2019

Based on Table 2, the interpretation of each relationship is as follows:

1. The Effect of Price (X₁) on Consumer Satisfaction (Y)

The significance (p-value) of X₁ is 0,024 and it is smaller than level of error ($\alpha=5\%$). This means that price has a significant effect on Consumer Satisfaction (H₁ is accepted).

2. The Effect of Promotion (X₂) on Consumer Satisfaction (Y)

The significance (p-value) of X₂ is 0,000 and it is smaller than level of error ($\alpha=5\%$). This means that promotion has a significant effect on Consumer Satisfaction (H₂ is accepted).

3. The Effect of Promotion (X₃) on Consumer Satisfaction (Y)

The significance (p-value) of X₃ is 0,021 and it is smaller than level of error ($\alpha=5\%$). This means that viral marketing has a significant effect on Consumer Satisfaction (H₂ is accepted).

The Result of F-test

The F test is performed to test whether the independent variables simultaneously influence the dependent variable with a 95% confidence level ($\alpha = 0.05$). The results of the F test can be seen in the following Table 3:

Tabel 3. The Result of F-test

Variable	Sig.
Residual	0,000 ^b

Source: SPSS Output, 2019

Based on Table 3, the significance value of 0,000 is smaller than 0,05, it means that all of the independent variables have simultaneous effect on the dependent variable.

4.2 Discussion

4.2.1 The Effect of Price on Swiwing's Consumer Satisfaction

The statistical result of t-test indicates that price has a positive effect on consumer satisfaction by looking at the significance level of 0,024. The relationship is shown by the positive regression coefficient which means that appropriate price will lead to the increasing consumer satisfaction (H₁ accepted). Based on the results of the respondents' answers to the price variable, the majority of respondents give positive answers for each indicator. As many as 79,5% respondents are agree and strongly agree in responding the first indicator, that is the suitability between the amount of money paid by consumers with the purchasing power of consumers in purchasing Swiwings Chicken products, because the amount of price offered is relatively cheap with other competitors. For the second indicator, as many as 75,9% respondents give positive response to the conformity between the amount of money paid and the products that consumers of Swiwings Chicken get. As many as 71,5% of respondents answer positively to the third indicator, that is the amount of money offered is competitive with price from competitors.

The results of this study are in line with previous research conducted by Yulisetiari (2014) which states that there is a significant effect of Price on Consumer Satisfaction. So it can be concluded that the price affects the consumer Satisfaction of Swiwings Chicken in Jember.

4.2.2 The Effect of Promotion on Swiwing's Consumer Satisfaction

The results of multiple regression analysis indicates that promotion has a significant effect on consumer satisfaction by looking at the significance level of 0,000. The relationship shown by the regression coefficient is positive, it means that if the company makes better promotion, the customer satisfaction will also increase (H₂ is accepted). Based on the results of the respondent's answers to the promotion variables, it shows that the majority of respondents give positive response. For first indicator, as many as 82,1% respondents are agree and strongly agree if Swiwings promotes its product through print media such as newspaper. Then as many as 77,7% respondents give positive answer if swiwings doing direct promotions such as opening booths every week so that consumers see directly from frying to packaging process. Furthermore, as many as 70,5% respondents are agree and strongly agree if Swiwings informs its products in electronic media such as websites and Instagram. As many as 69,7% respondents also have positive idea if promotion done by Swiwings is carried out at the exhibition so that it can interact

directly with consumers. Then as many as 85,8% respondents are agree and strongly agree if consumers of Swiwings get information about product swiwings from other people who have bought products. As many as 84% respondents give positive arguments if Swiwings makes direct sales to consumers based on orders such as birthday orders, consumption of campus events, offices, and social gathering.

The results of this study are in line with previous research conducted by Huda dan Farida (2014) which states that there is a significant positive effect of promotion on consumer satisfaction. So it can be concluded that promotion affects Swiwings Chicken consumer satisfaction in Jember.

4.2.3 The Effect of Viral Marketing on Consumer Satisfaction

The statistical result indicates that viral marketing has an effect on consumer satisfaction by looking at the significance level of 0,021. The relationship shown by the regression coefficient is positive, it means that the better the viral marketing done by Swiwings, the higher the consumer satisfaction (H3 is accepted). Based on the results of the respondent's answers to the viral marketing variable, the majority of respondents answered agree and strongly agree. As many as 80,3 respondents give positive response about the interaction with the delivery of information that exists between instagram account of @swiwings.idn and the consumers. As many as 80,4% respondents are agree and strongly agree about the consumers who have curiosity about Instagram @ swiwings.idn content because Swiwings always upload content every day, also the existence of discount and giveaway every week. Then as many as 80,3% respondents give positive response about consumers who are often accessing Instagram accounts @ swiwings.idn. As many as 80,4% respondents also agree and strongly agree that consumers convey information about @ swiwings.idn products to other users on social media.

The results of this study are in line with previous research conducted by Huda dan Farida (2014) which states that there is a significant positive effect of viral marketing on consumer satisfaction. So it can be concluded viral marketing has an influence on Swiwings Chicken consumer satisfaction in Jember.

The results of multiple regression analysis on the F Test of the fourth hypothesis (H4) show that Price, Promotion, and Viral Marketing influence Consumer Satisfaction by looking at the significance level of 0.021. The relationship shown by the regression coefficient is positive, meaning that the more appropriate the Price, Promotion, and Viral Marketing, the Consumer Satisfaction will increase (H4 is accepted).

4.2.4 The Effect of Price, promotion, and Viral Marketing on Consumer Satisfaction

The result of F-test shows that price, promotion, and viral marketing have simultaneous significant effect on Swiwings Chicken's customer satisfaction. According to Kotler and Armstrong (2008: 364) prices are a determining factor of satisfaction, because prices are the amount of value that consumers exchange for the benefit of owning and using products or services. According to Tjiptono, (2007: 164) promotion is a form of marketing communication which is a

marketing activity that seeks to disseminate information, influence / persuade, and / or increase the target market of the company and its products to be willing to accept, buy, and loyal to the products offered by the company concerned. Armstrong and Kotler (2004: 122) viral marketing is an internet version of word of mouth, which involves messaging via email or viral marketing that is so infected they will tell other friends. This factor of promotion and viral marketing offers many emotional aspects in influencing consumer satisfaction.

5. Conclusion

This study investigated the influence of price, promotion, and viral marketing on consumer satisfaction of Swiwings Chicken. The results of this study reported that there is positive and significant effect of price, promotion, and viral marketing on the consumer satisfaction of Swiwings Chicken Jember partially. It means that the better price offered by Swiwings Chicken Jember, the higher their consumer satisfaction. The statistical result also shows that the better promotion done by Swiwings Chicken, the higher their consumer satisfaction and the better viral marketing done by Swiwings Chicken, the higher their consumer satisfaction. The last one, price, promotion, and viral marketing have simultaneous significant effect on Swiwings Chicken's customer satisfaction. Consumer satisfaction is a very important thing to consider in order to maintain business continuity. This can be influenced by good pricing, promotion strategies and viral marketing factors. If this is done well, it will create loyal and loyal customers. For further research, the variables used in the study should be added to different variables such as service quality, place, and brand image, so that it is expected to obtain more accurate research results. For practical suggestion, Swiwings Chicken managers should exert additional effort to set better price, promote and improve wine promotions as a marketing tool (including advertising, promotion, and marketing), and improve its viral marketing in order to attract more potential customers to restaurants.

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