

The Effectiveness of Pricing Strategy on Purchasing Decisions for Bookkeeping and Chasiers Paccounting Applications by Panemu

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ABSTRACT

This research was conducted to determine whether there is an effectiveness of pricing strategy on purchasing decisions for bookkeeping applications and cashier PAccounting by PT Panemu Solusi Industri. This study used a descriptive qualitative approach with direct observation methods and interviews by companies. The conclusion in this study is that companies apply several different Paccounting pricing strategies, including discount pricing strategies, freemium pricing strategies, premium pricing strategies, and psychological pricing strategies. Each strategy used has a different purpose, where the discount pricing strategy is expected to make consumers choose the highest price package, then the freemium pricing strategy focuses on attracting potential users with a trial period at no cost, while the premium pricing strategy offers consumers with a full-featured application, and the psychological pricing strategy aims to make potential customers think that the product is not expensive. The results showed that the four strategies had a positive impact on consumer interest seen from the increase in sales for 3 years.

INTRODUCTION

In the era of increasingly rapid technological development, the telecommunications industry has not relied on the concept of establishing factories but has begun to lead to the sale of software products or software because it is considered of high value and profitable (republika.co.id, 2016). Indonesia is one of the countries that has begun to integrate software using the internet, which is finally useful for the wider community, especially when entering the Covid-19 pandemic conditions in 2020. People use various software to be able to carry out various digital activities from home, such as online schooling, work from home, and even shopping for daily necessities through applications.

Along with the rapid growth of startup companies in the field of software development in Indonesia, it is necessary to make good changes by looking at various aspects. Software products developed must be created in accordance with company standards and can avoid interference with system and application programs. These efforts are made to provide useful, quality and safe services. However, only by relying on these efforts do companies realize that the level of competition in the software field is very high. Therefore, this needs to be considered by companies to anticipate various competitors with quality services and their respective prices. One of them is through the most appropriate marketing strategy for the company.

Marketing is defined as a set of activities, institutions, and processes for creating, communicating, delivering, and exchanging offers that have value for consumers, clients, partners, and society at large. (American Marketing Association, 2017). When carrying out the marketing process, it is necessary to integrate various marketing elements in such a way as to ensure the achievement of company goals or commonly referred to as the marketing mix (marketing mix). Marketing mix is a marketing tool that influences and increases demand with a combination of 4Ps (product, price, promotion, place). In other words, to satisfy consumers need the right product at an affordable price accompanied by better

distribution and the use of appropriate communication techniques to influence consumer views (Rad and Akbari, 2014). Therefore, a strategy in setting prices that are tailored to the company's goals in reaching the target market is very important by considering the current network of price strategies (Ali and Anwar, 2021). Looking at these aspects, software development companies can optimize profits, as well as related to marketing.

With this explanation, PT. Panemu Industrial Solutions is a business unit that handles software development, IT consulting, and catalog services. As for the location of Panemu itself is in Wates, Kulonprogo, Special Region of Yogyakarta. As in general, the services provided by this company include website creation, Android and iOS application creation, laptop software creation, and design creation. Panemu is here to provide solutions to the development of information technology services using ERP (Enterprises Resources Planning) implementation which is used as an alternative problem solving in a business. In addition, this company has released an application for corporate finance / accounting called Paccouting by panemu. Only running for 3 years, the application, which was founded in 2020, is designed to be easy to use by business managers who do not have accounting or tax knowledge and help consumers record their financial activities. So far, Panemu has succeeded in establishing cooperation and providing solutions to clients from individual to organizational levels.

Table 1. Paccouting Application Package Price List

Package	3 Months	6 Months	12 Months
Free	Rp0/month	Rp0/month	Rp0/month
Simple	Rp112,200/month	Rp102,960/month	Rp99.000/month
Grow Up	Rp168,300/month	Rp154,440/month	Rp148,500/month
Industrial	Rp289.850/month	Rp265,980/month	Rp255,750/month

Source: Website Paccouting, 2023

Based on table 1, PT. Panemu Industrial Solutions divides the price of the application according to the package that is differentiated by the features offered. The company sets prices based on current evolving market prices and tailors features that consumers can use. Although so far Paccouting has been able to establish good cooperation with its business clients, within 3 (three) years the features contained in the Paccouting application are considered less effective and not in accordance with consumer wishes so that Paccouting sales do not reach the target.

Price is one of the most important elements in the marketing mix. This price can be defined as the value or nominal that must be spent by consumers on each product or service (Borden and Marshall, 1959). This pricing strategy is one that consumers consider in determining attitudes, especially purchasing decisions. The above problem is one of the reasons why the author wants to raise the influence of pricing strategies on consumer purchasing decisions. This is because the pricing strategy through the table above is considered less effective. In macroeconomic conditions, pricing strategy is one of the factors that can create fierce business competition in similar industry competitions. Through this strategy, companies can also create barriers to entry. Whereas in the macroeconomic conditions of the company, the pricing strategy creates conditions of strong competitiveness against the company itself. In fact, this pricing is a very critical decision zone and will have an impact on the need for products and also the profitability of the organization (Singh and Belokar, 2012). Therefore, this pricing strategy needs to be carefully evaluated and considered by PT. Panemu Industrial Solutions Yogyakarta.

Based on the description above, the author is interested in knowing how effective the pricing strategy that has been carried out to attract consumers in making purchasing decisions for the Paccouting application. In addition, the author will also analyze related to how the right strategy to be implemented by PT. Panemu Industrial Solutions in the future to improve the company's competitiveness through the

final internship report entitled "The Effectiveness of Pricing Strategy on Bookkeeping Application Purchase Decisions and Paccounting Cashier by Panemu".

Marketing Strategy

Marketing strategy is defined as a series that contains goals and objectives as well as policies and rules that aim as a benchmark or direction in marketing efforts over time (Mubarok, 2017). In addition, marketing strategy is also defined as an effort to market products, both goods and services, by relying on certain plans and tactics so that they can achieve predetermined sales targets (Haque-Fawzi et al., 2022). Then the marketing strategy is a system in which it contains business activities, planning, determining or pricing, marketing and distribution of both goods and services that aim to meet customer needs (Rusdi, 2019).

Price

Price is considered as the value set by marketers for products and is an amount that needs to be paid for a good or service (Gultom, 2017). According to (Kotler and Keller, 2013) price is one element of the marketing mix that can be useful as a source of income. This is also supported by research from (Reinaldo and Chandra, 2020) which explains that price is one element of the marketing mix that affects company profits.

Pricing Strategy

Price is a concept that is used as the value of a product or the amount to be paid from a product, both goods and services. Pricing is a strategy carried out by marketers because it can affect the competitiveness of the company and can affect consumers (Kotler and Armstrong, 2008)

Purchasing Decision

The action by consumers to make purchases of a product is based on a consumer purchase decision. According to (Fahmi, 2016) purchasing decision is an action in deciding on a product where the product is an option or solution to the needs and desires of these consumers. In addition, according to (Arianty, 2016) defines purchasing decisions as actions taken in order to overcome problems that occur and must be faced, or steps taken in order to achieve goals at the most efficient cost possible.

RESEARCH METHOD

In this study, the author used a qualitative approach. According to (Sugiyono, 2016), qualitative research aims to understand a phenomenon about a subject that is studied in general in several aspects such as perception, behavior, motivation, and action which are then explained descriptively with words and language that are easy to understand and with logical techniques. This research is descriptive and aims to present, analyze and interpret how effective pricing strategy is on purchasing decisions on paccounting products by the marketing manager of PT Panemu Solusi Industri. The objectives of the descriptive research method are as follows:

1. To find and find out detailed information about existing symptoms.
2. Identify problems or obtain justification of ongoing circumstances and practices.
3. Make comparisons and evaluations.

The basis of this research is a case study by studying the realities that exist in the object of research, which in this study is the effectiveness of pricing strategies on purchasing decisions on paccounting products from PT Panemu Solusi Industri. Research through observation and interviews.

RESULTS AND DISCUSSION

There are several strategies in pricing paccouting products by PT Panemu Solusi Industri. So far, the pricing on paccouting products is as follows:

Table 2. Paccouting Product Price List

Package	3 Months	6 Months	12 Months
Free	Rp0/month	Rp0/month	Rp0/month
Simple	Rp112,200/month	Rp102,960/month	Rp99.000/month
Grow Up	Rp168,300/month	Rp154,440/month	Rp148,500/month
Industrial	Rp289.850/month	Rp265,980/month	Rp255,750/month

Source: Website Paccouting, 2023

With the price set as in table 2 PT Panemu Solusi Industri considers and formulates several strategies, which are as follows:

Discount Pricing Strategy

The discount price strategy on paccouting products is applied by offering cheaper prices if consumers subscribe longer. Based on table 4.1, the price per 3 months on each package is more expensive than the price per 6 months and the price per 6 months is more expensive than per 12 months. This strategy argues that consumers can save more on their expenses in purchasing paccouting products by buying directly per 12 months and when compared to the price per 3 months consumers can save Rp. 475,200 on simple packages, Rp. 712,800 for grow up packages and Rp. 1,227,600 for industrial packages. By providing discounts, the company targets to attract customers and provide the best prices for customers.

Freemium Pricing Strategy

The freemium pricing strategy is applied to paccouting products by providing paccouting at a price of Rp. 0 or free version in order for customers to get to know paccouting and get used to paccouting but in this free version the features in it are limited or only general features and when customers feel they need other features they have to subscribe and pay to buy packages that have been provided by PT Panemu Solusi Industri on Paccouting products according to the category of customer needs. This strategy is applied by PT Panemu Solusi Industri on paccouting products to build confidence in customers who are considered potential.

Premium Pricing Strategy

The premium pricing strategy is applied to the industrial package where among other packages this package is the most expensive. The premium strategy applied to paccouting products in industrial packages is intended to add value to the package. In setting this premium price strategy, the marketing team that handles paccouting products must be able to increase value by building consumer perceptions so that consumers can think that industrial packages are packages that have high value. In this PT Panemu company, marketing is done with direct marketing techniques by warm calling, cold calling and direct or marketers with consumers meeting directly so that in this strategy marketers are the key to the success of this strategy.

Psychological Pricing Strategy

As can be seen in table 4.1. This strategy is applied to paccouting products by not providing the right price or with 3digits behind "000". As in the simple package, which is priced at Rp. 112,200/month, then the grow up package is Rp. 168,300/month and in the industrial package is Rp. 289,850/month, and so on. Each price set on each plan has a 3digit back that is not "000". Besides being located at 3 digits

behind, the overall price is also applied not even or not right. This is applied to paccounting products so that customers see the price cheaper by maintaining the perception that consumers are more willing to save when making a purchase.

Impact of Price Strategy on Sales Effectiveness

Based on the results of an interview with the Marketing Manager of PT Panemu Solusi Industri about Paccounting products, by setting a pricing strategy as discussed above, also supported by the marketing team of paccounting products, product sales for 3 years of operation have increased.

CONCLUSION

During the internship that has been carried out by the author, it can be concluded that the pricing strategy carried out for paccounting products can arguably have a positive impact on consumer interest, as mentioned by the sales and marketing manager that sales on products have increased for 3 years. The discount price strategy influences the selection of packages by consumers, then the freemium strategy increases product recognition to consumers, as well as the premium price strategy that gives the perception that the product has a value comparable to the set price, coupled with the use of psychological pricing strategies that increase consumer purchasing power while maintaining the perception that prices are cheaper.

With humility, the author offers several suggestions to companies, especially for the sales & marketing management division, namely conducting studies on more in-depth market studies so that they can understand customer needs and preferences that can adjust pricing strategies according to the wishes of the target market. Competitor analysis is also necessary to keep the product competitive and understand the optimal price position. This can provide an overview to businesspeople in developing pricing strategies.

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