AN EMPIRICAL IMPLEMENTATION OF MARKETING MIXES ON PURCHASING DECISIONS OF PRODUCTS AT PT BERLIAN GRESIK IN INDONESIA

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Abstract
Purpose, this study aims to analyse the effects of product, price, place, and promotion on the purchasing decision of product at PT Berlian. One marketing strategy that companies should consider in facing competition is the marketing mix. Design/ methodology, the results of data collection given respondents with a sample size of 100. while the data analyze processed used SPSS version 24. Finding, this study that all marketing mix variables have a significant on purchasing decisions. So that way, the marketing mix is a tool for marketers consisting of various elements of a marketing program that needs to be considered at the implementation of the marketing strategy and the determination of the position can be run successfully. Originality/value, the results of empirical studies related to marketing mix are very useful for other companies because the research results are very significant in improving business performance at PT Berlian. Besides that, this study there is an contribute to increasing the number of references or literature related to the discussion of marketing mix.

Keywords: Product, Price, Place, Promotion, Purchase decision

INTRODUCTION
The development of the business world today can be said to be advancing rapidly. The information from the number of companies that grow every year. Badan Pusat Statistik (BPS) in Indonesia recorded a working population of 127.07 million in February 2018, an increase of 2.53 million compared to February 2017. This means that employment and new companies have increased (Badan Pusat Statistik, 2018). Based on these data and facts, the level competition between companies is getting tougher. Therefore to face this competition the company must implement good marketing so that the company learns consumer purchasing decisions so that it can win the market. The purchase decision is the consumer has the intention to buy the desired item (Schiffman & Kanuk, 2004). Purchasing motivation is driving force of customers to buy or interest in buying an item or service. Motivation is influenced by three components, namely attitude, subjective norms and perception of behavioural control (Aji et al, 2018). According to Armstrong and Kotler (2011), products are all things that can be offered to the market that can satisfy the wants or needs of consumers. The product in question is a heavy equipment product that can be seen from product features, product quality and product reliability (Indumathi & Dawood, 2016). There is relationship between product and purchase motivation according to (Nwankwo et al.,2014; and Deebhijarn,2016). PT Berlian also always considers the price due to some new competitors (Brata et al., 2017). The place or location or location of PT Berlian is very strategic if related to the expedition, which is a port so that shipping goods outside the island is
easier, only a few raw materials must be sent from outside East Java. According to Lupiyoadi 
(2013: 96), location (related to the delivery system) in services is a combination of location and decision on distribution channels. This relates to how to deliver services to consumers and where the strategic location. Location means related to where the company must be headquartered and carry out its operations or activities (Levy, 2007). Promotion strategy, PT Berlian still innovates promotions so that with the increase in consumers, it is expected that an increase in market share will have an impact on increasing sales. Promotion is an activity carried out to communicate the advantages possessed by a product and activities carried out to persuade customers to buy the product (Kotler & Keller, 2012). PT. Berlian promotes direct marketing, personal selling, and mass selling (Armstrong & Keller, 2011).

Based on the purchase requirements, the company can design an appropriate product, not only to satisfy of consumers needs, but also makes it easy for consumers to get the product. PT. Berlian is a manufacturing company engaged in the industry of household equipment needs. The company was founded in 1999 and has grown rapidly to become a provider of household cleaning equipment. Cleaning equipment such as brooms, mops, and brushes are tools needed by every household. This industry is practically endless because every household must have the equipment. Whereas the acquisition of PT Berlian looks unstable and tends to fluctuate as shown in Figure 1

![Revenue of PT Berlian](image)

Based on the case problem, this research aims to analyse marketing mix at PT Berlian Gresik, analyse effect of marketing mix on purchasing decisions, as formulate strategy to increase consumer purchases at PT Berlian Gresik.

**LITERATURE REVIEW**

**Marketing Mix**
Marketing strategy is a component that is feasible, appropriate and consistent carried out by the company to obtain the target market in the long term and the company's short-term goals in
certain competitive circumstances. According to Sipayung and Sinaga (2017, marketing mix is a set of marketing instruments used by a company so that it continuously reaches its marketing objectives in the target market, which is divided into 4 (four) components such as price, promotion, place and product (Kotler and Armstrong, 2012; Lupiyoadi: 2001: 28). Meanwhile, according to Swastha et al. (2000) the marketing mix is a combination or combination of the four main variables of the company's marketing system, namely the distribution system, promotional activities, products and price structures (Kotler,2008:62). From the definitions of some experts, it can be concluded that the marketing mix is all activities combined as satisfying consumer needs, which consist of product, promotion, price, place (Lamb et.al., 2001: 20)

Purchasing Decisions
According to (Wangarry et al, 2018; Dhari et al., 2018; Sutrisno et al., 2018; Hossain & Khan, 2018; Sunarti & Chandra, 2019), the purchasing decisions made of consumers to buy the most preferred of product, the buy processing takes place long before the actual purchase and continues long after the purchase (Pane, 2018; Wulandari et al., 2019). Consumers in making purchases will go through the process of purchasing decision stages. The stages in the purchase decision process of problem recognition, alternative evaluation, information search, purchasing decisions and behavior after purchase (Indriani & Azhad, 2018; Zaky & Purnami, 2020).That consumer repurchase decisions are consumer behavior in making purchasing decisions that are the same brand as previous purchases, frequency of buying more often and / or buying with a quantity that tends to be higher (Sianturi et al., 2019; and Sitimah, 2018). Purchasing decisions made by a consumer are made based on their wants and needs for a product. Another opinion according to (Supriyanto &Taali, 2018), purchasing decision is a decision making process or action that is shown by consumers towards the desire to find, buy, and use the product or service offered. Marketing knows who is related to purchasing decisions and who involved as played and who makes of the decision (Barcelona et al, 2019)

Product
Products, produced by a company may not be known when information about these products do not reach potential customers. Therefore, producers in marketing their products must provide information to consumers who are the target market (Martha et al., 2018). Product strategy can affect to the other marketing strategies (Amelia et al., 2018). According to Kotler (2008), products are all things that can be offered to the market that can satisfy the wants or needs of consumers (Kotler & Armstrong, 2011). In this context, the product can be anything (whether physical or not) that can be offered to potential customers to meet certain needs and desires (Tjiptono, 2014: 42), its mean a good quality of product (Imansingsih & Rohman, 2018)

Product quality is one factor, which is influence to the consumer of purchasing decisions, and also the quality of product shows as durable size of its product, its trustworthiness of the product, the precision of the product, the ease of operation and maintenance as well as other attributes assessed (Assauri, 2014).
Price
According to Tjiptono (2014: 193), stated that the price can be interpreted as the amount of money or other aspects (including other goods and services) exchanged in order to obtain ownership rights or use of an item or service. Price is most important, because it determines the company's market share and profits in influencing consumer decisions to buy products, so it is very important for the success of marketing a product (Silaningsih & Utami, 2018; Barcelona et al., 2019; Indriani & Azhad, 2018; Pane, 2018). Green product price should be reasonable for the consumers which inspire them to buy green products (Yazdanifard & Mercy, 2011). Consumers pay is really the cost of a green product is called the price (Hossain & Khan, 2018). The price is the cost paid for a product, most consumers will only be ready to pay a premium and if there is a perception about the added value of the product offered (Mahmoud, 2017). Price indicators according to Noviana (2013), namely: (1) price according to quality. (2) prices are according to facilities. (3) affordable prices. (4) the price is determined according to the benefits obtained. (5) the price of room access is in accordance with the service. (6) corporate prices for cooperating companies.

Promotion
Promotion indicators consist of a mixture of tools available for marketers (Tat et al., 2012). Promotion is a part of marketing strategy, where promotion has a function to provide information, persuade, and remind to the consumers (Aji et al., 2018). Promotional relationships with supportive on purchase have been carried out according to (Birch et al., 2018; Payson & Karunanithy, 2016; Deebhijarn, 2016). Furthermore, promotion relationships with supportive purchasing decisions are (Hasan et al., 2016 ; Astuti et al., 2015: and Azzadina et al., 2012). According to Lupiyoadi (2013: 97), things that need to be considered in a promotion are the selection of a promotional mix which consists of, advertising, individual sales, sales promotions, public relations, information by word of mouth, and direct mail. Marketers can choose the means they deem appropriate for promoting their services. This has been softened by means of promotion (Lupiyoadi & Hamdani, 2006).

Place
According Harahap et al. (2017) , the business location should be considered as good as possible. If the company make a mistake in choosing a location, the company will bear the damages or fail in reaching its goals. Which is the location is one of the determining factors for a business since it affects the cost of business (Umble & Umble, 2003). The importance of place or location as factor in the of strategies development, thus suggests factor of place or location, must be considered because of the pressing factors and which will positively influence on businesses performance (Minai & Lucky, 2011). According to Lupiyoadi (2013: 96), location (related to the delivery system) in services is a combination of location and decision on distribution channels. This relates to how to deliver services to consumers and where the strategic location. Location means related to where the company must be headquartered and carry out its operations or activities.
RESEARCH METHODS

The Conceptual framework of research
A comprehensive review of the literature reveals a lack of empirical investigation into marketing mix on purchase decisions. Purpose, this study to explore: product, price, place and promotion, partially and simultaneously (see Figure 2)

![Empirical Research Model](image)

Figure 2. Empirical Research Model

Validity and Reliability Testing
Validity test is related whether a variable measures what should be measured A variable is said to be valid it is able to measured what is desired (Srihadi et al., 2016). Validity test is done by correlating the score of each item which the total score (Sugiyono, 2018:134). The correlation technique used is the pearson product moment (PPM), where an instrument is stated to be valid if the correlation person is greater than 0.3. In this study, a validation test is performance using SPSS version 24, and using a sample size of 30.

Reliability test indicates the extent to which a measuring tool can provide relatively similar result when measurements were taken again on the same object. The minimum reliability value of dimensional forming latent variable that can be acceptance over 0.6. If the value of Cronbach’s Alpha is more than 0.6 means the already reliable (Sunyoto, 2014:125). Hence, Cronbach’s Alpha result of this study was considered good for the internal consistency (Zahid & Dastane, 2016)

Result of validity and reliability testing for each indicator of variables by using SPSS version 24 see in Table 1:
Table 1. Result of Validity and Reliability Testing

<table>
<thead>
<tr>
<th>Variables</th>
<th>Indicators</th>
<th>Validity Testing</th>
<th>Reliability Testing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Pearson Correlation</td>
<td>Remarks</td>
</tr>
<tr>
<td><strong>Product (X1)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X1.1</td>
<td></td>
<td>0.797</td>
<td>true</td>
</tr>
<tr>
<td>X1.2</td>
<td></td>
<td>0.784</td>
<td></td>
</tr>
<tr>
<td>X1.3</td>
<td></td>
<td>0.702</td>
<td></td>
</tr>
<tr>
<td>X1.4</td>
<td></td>
<td>0.777</td>
<td></td>
</tr>
<tr>
<td>X1.5</td>
<td></td>
<td>0.778</td>
<td></td>
</tr>
<tr>
<td>X1.6</td>
<td></td>
<td>0.665</td>
<td></td>
</tr>
<tr>
<td>X1.7</td>
<td></td>
<td>0.755</td>
<td></td>
</tr>
<tr>
<td>X1.8</td>
<td></td>
<td>0.833</td>
<td></td>
</tr>
<tr>
<td>X1.9</td>
<td></td>
<td>0.953</td>
<td></td>
</tr>
<tr>
<td>X1.10</td>
<td></td>
<td>0.811</td>
<td></td>
</tr>
<tr>
<td><strong>Price (X2)</strong></td>
<td></td>
<td></td>
<td>true</td>
</tr>
<tr>
<td>X2.1</td>
<td></td>
<td>0.833</td>
<td></td>
</tr>
<tr>
<td>X2.2</td>
<td></td>
<td>0.818</td>
<td></td>
</tr>
<tr>
<td>X2.3</td>
<td></td>
<td>0.845</td>
<td></td>
</tr>
<tr>
<td><strong>Place (X3)</strong></td>
<td></td>
<td></td>
<td>true</td>
</tr>
<tr>
<td>X3.1</td>
<td></td>
<td>0.770</td>
<td></td>
</tr>
<tr>
<td>X3.2</td>
<td></td>
<td>0.721</td>
<td></td>
</tr>
<tr>
<td>X3.3</td>
<td></td>
<td>0.765</td>
<td></td>
</tr>
<tr>
<td>X3.4</td>
<td></td>
<td>0.792</td>
<td></td>
</tr>
<tr>
<td>X3.5</td>
<td></td>
<td>0.744</td>
<td></td>
</tr>
<tr>
<td><strong>Promotion</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X4.1</td>
<td></td>
<td>0.733</td>
<td></td>
</tr>
</tbody>
</table>
RESULT AND DISCUSSIONS
Multiple Linear Regression Analysis, the resulting multiple linear regression equation is shown in Table 2

Table 2. Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>0.592</td>
<td>0.197</td>
<td>3.003</td>
</tr>
<tr>
<td></td>
<td>X1</td>
<td>0.150</td>
<td>0.055</td>
<td>0.210</td>
</tr>
<tr>
<td></td>
<td>X2</td>
<td>0.174</td>
<td>0.053</td>
<td>0.242</td>
</tr>
<tr>
<td></td>
<td>X3</td>
<td>0.402</td>
<td>0.040</td>
<td>0.571</td>
</tr>
<tr>
<td></td>
<td>X4</td>
<td>0.108</td>
<td>0.042</td>
<td>0.135</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Y

Based on Table 2 obtained of regression equation:

\[ Y = 0.592 + 0.150 X_1 + 0.174 X_2 + 0.402 X_3 + 0.108 X_4 \]
Table 4, linear regression analysis in this study is used to measure the effects of product (X₁), price (X₂), place (X₃), and promotion (X₄) on purchasing decisions (Y). The multiple linear regression equation obtained from the data processing using SPSS version 24. From the regression equation it can be explained that the constant (alpha) produced is 0.592, this shows that the magnitude of purchasing decisions (Y) is 0.592, if product (X₁), price (X₂), place (X₃), and promotion (X₄) are consistent. The regression coefficient for all variables is positive and each value of product (X₁) = 0.150, price (X₂) = 0.174, Place = 0.403, and Promotion (X₄) = 0.108

F Testing (Simultaneous Test)
The F test results, see in Table 5, result of F value is 79.230 with a significant level of 0.000 less than 5%, it is mean that the multiple linear regression equation used is suitable to explain the effect of all variables: product (X₁), price (X₂), place (X₃), and promotion (X₄) on purchasing decisions (Y) in Table 3.

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>17.084</td>
<td>4</td>
<td>4.271</td>
<td>79.230</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>4.905</td>
<td>91</td>
<td>0.054</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>21.990</td>
<td>95</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Y
b. Predictors: (Constant), X₄, X₂, X₃, X₁

t Testing (Partial Test)
Testing the hypothesis in this study using the t testing in this study the t test was used to determine the partial effect between product (X₁), price (X₂), place (X₃), and promotion (X₄) on purchasing decisions (Y). The criteria for testing with the t testing in Table 2. All variables are significantly less than 5%, so that partially effects on purchasing decisions variable.

Coefficient of Determination Testing (R²)
The coefficient of determination values (R²) obtained from data processing in Table 4.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.881a</td>
<td>0.777</td>
<td>0.767</td>
<td>0.23218</td>
<td>1.815</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), X₄, X₂, X₃, X₁
b. Dependent Variable: Y

Based on Table 4, it can be seen that the value of the coefficient of determination (R square) of 77.7%, this means that 77.7% of purchasing decisions (Y) are affected by product (X₁), price (X₂), place (X₃), and promotion (X₄), while the remaining 22.3% are affected by variables other outside this research.

CONCLUSIONS

Based on the study, that has been done, the first product (X₁) has a significant effect on purchasing decisions (Y), the significance of value of the t test is less than 0.05 which is 0.007. This research is in accordance with research conducted by Mahmoud (2018), and Sitimah (2018), with the results of research that the product has a significant effect on purchasing decisions. The second, price (X₂) has a significant effect on purchasing decisions (Y) because the significance value of the t test is less than 0.05 which is equal to 0.001. The results of this study are supported of research conducted by Wangarry et al. (2018) and Mahmoud (2018), as well, as research conducted by Sitimah (2018), similarly research, that price has a significant effect on purchasing decisions. The third place (X₃) significantly influences the purchase decision (Y) because the significance of value in the t test is less than 0.05 which is equal to 0.000, place (X₃) significantly influences the purchase decision (Y) because the significance of value in the t test is less than 0.05 which is equal to 0.001, the same research is also in accordance with the result study conducted by Hossain & Khan (2018), and Mahmoud (2018). The fourth promotion (X₄) has a significant of value there is effect on purchasing decisions (Y), the significance of value in the t test is less than 0.05 which is equal to 0.011, the same thing has been supported by Wangarry et al. (2018) and Mahmoud (2018), and also in line with study conducted by Sitimah (2018).

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