

DESIGNING MARKETING MIX IMPROVEMENT PROGRAMS BASED ON PURCHASING DECISION INFLUENCE OF POLAR PRODUCTS

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Abstract

Currently there are many fashion brands in Indonesia that market their products online and offline, usually brands in Indonesia have their own “distro” as their offline stores. Many product marketing is done online one of them through the Instagram platform. Currently, Polar only used Instagram to market its products. Therefore, Polar needs to have variety of marketing programs to increase sales. This study is aimed to identify factors influencing purchasing decisions of Polar’s customers and design marketing mix programs based on the purchasing decisions. To achieve the research objectives, researchers used a mix marketing and multiple regression methods. Based on these findings, weighting on the seven marketing mix programs was conducted. The results are research and analysis conducted, the conclusion is correlation test results (R) and determination (R²) prove that Consumer Behavior (X1) and Product Quality (X2) have a positive and very strong influence on Purchasing Decisions (Y) while Product Prices (X3) have a negative influence but has a strong influence on Purchasing Decisions (Y).

Keywords – Product purchasing decisions, mix marketing, multiple regression methods.

1. Introduction

Fashion products include products that can be consumed in the long run because this product is used with normal use for one year. Fashion products include clothing, shoes, bags, accessories, and so on. Business competition in the field of fashion is very tight, especially in the field of clothing, marketers compete in offering merchandise (products sold) in various ways used so that consumers are interested in goods sold by the company. Many marketers are trying to offer the latest clothing models that use quality materials, special designs made by the store or the characteristics of the store, they even offer prices that fit the bag (cheap). Marketers must also provide a means for consumers to be able to find detailed information.

Fashion in Indonesia is now growing along with the flow of modernization. This development makes the community as a selective society in determining their lifestyle. Lifestyle is very closely related to fashion, because the fashion will support one's appearance in order more attractive and become a trend center in the community. Currently there are many fashion brands in Indonesia that market their products online and offline, usually brands in Indonesia have their own “distro” as their offline stores. Along with the times, many product marketing is done online one of them through the Instagram platform. Instagram is an application that is used to share photos and videos. Instagram itself is still part of Facebook which allows our Facebook friends to follow our Instagram account. The growing popularity of Instagram as an application used to share photos has led many users to enter online businesses to promote their products through Instagram (M Nisrina, 2015: 137)

Polar is also one of the distributions that only has an online store. Polar is a local brand that was founded in November 2018. Currently Polar has as many as 3000 followers and already has 2 collection seasons and the 3rd season that is currently running. Each season lasts for 3 to 4 months, the first season starts in November 2018 until January 2019. Based on owner’s data, in season 1 it sold 58 pieces of the sales target of 50 which means it exceeded the sales target. Whereas in season 2 sales did not reach the target and only sold 42 pieces of the 80 piece sales target. According to that, there has been a decline in sales from season 1 to season 2 and this is Polar's main problem. The owner of Polar also said that some Polar consumers in the first season also purchased Polar products in the second season but Polar did not have exact data because it was less interactive between sellers and buyers and Polar consumers' data collection did not include the buyer's name. To find out what marketing mix variables that affect Polar’s Product purchasing decisions and to make improvements, then research "Designing Marketing Mix Improvement Programs Based on Purchasing Decision Influence Of Polar Products" need to be done.

2. Literature Review

2.1 Marketing

According to Kotler and Armstrong (2012: 29), marketing is a process from each company to create value for consumers and building strong relationships with consumers themselves as well get value from consumers in return. According to Daryanto (2011: 1), marketing is a social process and managerial where an individual or group gets needs

and their individual desires by creating, offer, and exchange things of value to each other. Based on the definitions above, it can be concluded that marketing is an activity that is very important for the survival of a business. Marketing can be important because marketing can build strong relationship between producers and consumers, gets more value than consumers and also expand the market reach of the business itself.

2.2 Marketing Mix

According to Kotler and Armstrong (2012: 75), the marketing mix is a marketing methods used by producers continuously to meet the goals of producers in their target markets. These marketers generally use the marketing mix as a medium for get responses from consumers to the products offered by companies or to create purchases for products company. In the marketing mix there is a set of known marketing tools 4P marketing mix, namely product, price, place, promotion. While according to Kotler and Armstrong (2012: 62), service marketing has several tools Additional marketing is people, physical evidence and process, so the tools the marketing increased to 7P (Product, Price, Promotion, Place, People, Physical Evidance, Process).

2.3 Consumer Behavior

According to Schiffman and Kanuk (2000), consumer behavior is a process traversed by someone in searching for, buying, using, evaluating, & act after consumption of products, services and ideas that are expected to meet their needs. The consumer can be an individual or an organization, they are have different roles in consumption behavior, they might play a role as an initiator, influencer, buyer, payer or user.

2.4 Buying Decision

According to Peter and Olson (in Sangadji and Sopiah, 2013: 332), Consumer decision making is a problem solving process directed at the target. As well as mention that the essence of taking Consumer decision (consumer decision making) is a process integration that combines knowledge for evaluate two or more alternative behaviors, and choose one among them. Consumer decision making covers all processes consumers go through to identify problems, look for problems, evaluating alternatives, and choosing between choices.

3. Research Methods

3.1 Conceptual Model

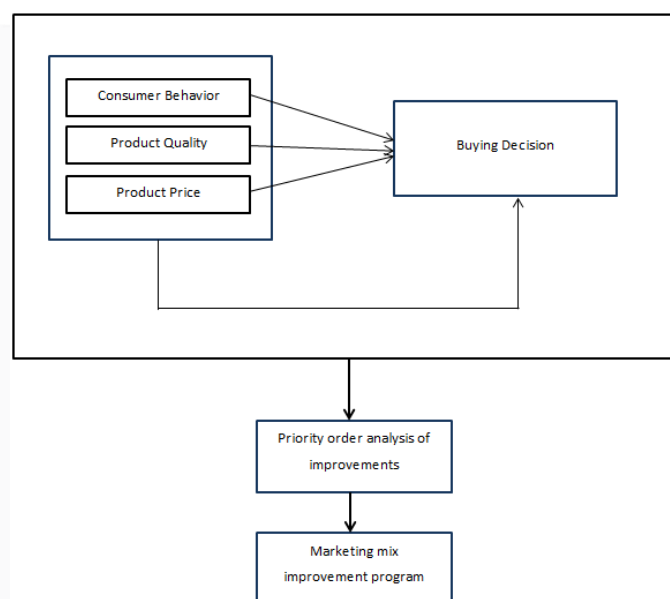


Figure 3. 1 Conceptual Model

3.2 Reasearch Methods

Based on the background of the problem and the purpose of this study, the research method used is a mix marketing and multiple regression methods. Data collection is done by distributing questionnaires with Likert scale to obtain results from 150 respondent.

4. Research Results and Discussion

4.1 Mean Table of Questionnaire Results

The following is a table of the mean results of the responses of all respondents in each statement in the weighting questionnaire and assessment questionnaire.

Table 4. 1 Mean Questionnaire Results Table.

No.	Weighting Questionnaire Statement	Mean	Assessment Questionnaire Statement	Mean	Score Gap Analysis
1.	Social Class (X1)	4,16	Polar products are quite classy	4,146	0,014
2.	Lifestyle (X1)	4,32	Polar products meet lifestyle	4,25	0,07
3.	Marketing Strategy (X1)	4,326	Polar products are marketed online so they are able to reach anyone and anywhere	4,36	(0,034)
4.	Reference Group (X1)	4,153	Polar product testimonials are very trusted, honest and honest	4,246	(0,093)
5.	Perception (X1)	4,26	Polar products are worth buying	4,37	(0,11)
6.	Personality (X1)	4,56	Quality and fashionable Polar products according to price	4,27	0,29
7.	Privileges (X2)	4,3	Quality and classy Polar products	4,146	0,154
8.	Advantage (X2)	4,16	Polar products can be used in all situations with different concepts	4,206	(0,046)
9.	Reliability (X2)	4,26	Polar products have strong and neat seams	4,226	0,034
10.	Suitability (X2)	4,52	Polar product specifications clearly match the information with the actual product	4,26	0,26
11.	Durability (X2)	4,56	Polar products are made from quality materials so they are durable in use (not easily damaged)	4,25	0,31
12.	Usability (X2)	4,15	Polar is very clear when serving consumers, the response is fast and easy to obtain	4,3	(0,15)
13.	Beauty (X2)	4,32	The design of Polar products is very satisfying	4,28	0,04
14.	Response (X2)	4,4	Polar products are worth recommending to anyone	4,31	0,09
15.	Affordability (X3)	4,28	The price of Polar products is very affordable	4,2	0,08
16.	Quality (X3)	4,32	The price of Polar products is in accordance with the quality offered	4,28	0,04
17.	Competitiveness (X3)	4,4	The price of Polar products is quite competitive with other similar products	4,226	0,174
18.	Benefits (X3)	4,186	Polar product prices are in	4,19	(0,004)

			accordance with the benefits provided		
19.	Purchasing Power (X3)	4,526	Polar products are able to adjust prices to people's purchasing power because they offer a variety of products	4,23	0,296

4.2 Classic Assumption Test

4.2.1 Normality Test Results

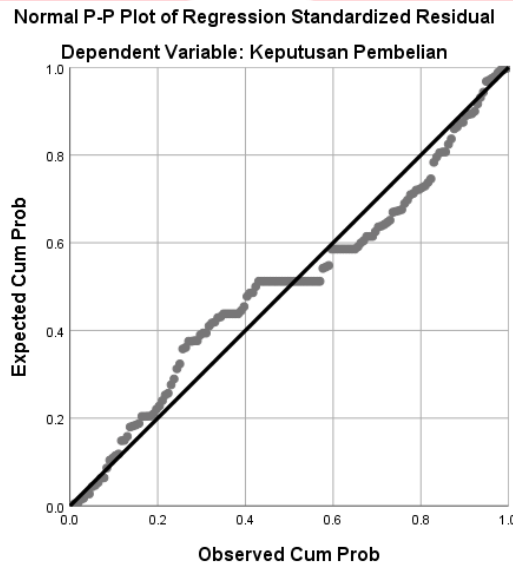


Figure 4. 1 Normality Test Graphic.

Based on the picture above the normality test results, stated normally distributed, it can be said that the residual value is normally distributed because the plot points are around the diagonal line.

4.2.2 Multicollinearity Test Result

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.337	1.254		1.066	.288		
	Consumer Behavior	.483	.090	.453	5.361	.000	.204	4.906
	Product Quality	.322	.077	.374	4.167	.000	.180	5.553
	Product Price	.139	.095	.100	1.459	.147	.309	3.237

a. Dependent variable: Keputusan Pembelian

Figure 4. 2 Multicollinearity Test

Based on the table above it can be seen that there is no correlation between the independent variables or multicollinearity symptoms do not occur in the regression model because it has a VIF value <10.00 so that further test can proceed.

4.2.3 Heteroscedasticity Test Result

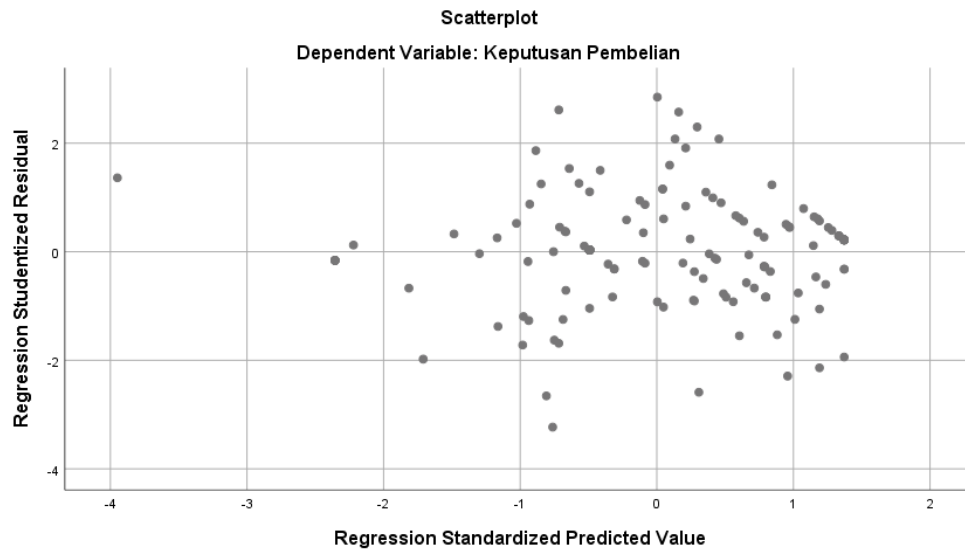


Figure 4. 3 Heteroscedasticity Test Result.

Based on the heteroscedasticity test results above, from the results of the scatterplots output above it is known that: Data points spread above and below or around the number 0 and these points do not form a particular wave pattern. Thus it can be concluded that a good regression model has been fulfilled because there is no Heteroscedasticity problem.

4.2.4 Autocorrelation Test Result

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.888 ^a	.788	.783	1.871	2.343

a. Predictors: (Constant), Harga Produk, Perilaku konsumen, Kualitas Produk

b. Dependent Variable: Keputusan Pembelian

Figure 4. 1 Autocorrelation Test Results.

Based on the output of the summary model above, we know the value of DurbinWatson (dw) = 2.334. Next this is compared with the Durbin Watson table value at 5% significance with the formula (k, t). The number of independent variables is 3 or k = 3 and the number of samples is t = 150, then the value of dL = 1,706 dU = 1,760 is obtained.

Positive Autocorrelation Detection:

- If $2,343 < 1,706$ then there is a positive autocorrelation
- If $2,343 > 1,760$ there is no positive autocorrelation
- If $1,706 < 2,343 < 1,760$ then the test is inconclusive or cannot be concluded

Negative Autocorrelation Detection:

- If $(4-2,343) < 1,706$ then there is a negative autocorrelation
- If $(4-2,343) > 1,706$ then there is no negative autocorrelation
- If $1,706 < (4-2,343) < 1,760$, the test is inconclusive or cannot be concluded

Thus it can be concluded that there is no positive autocorrelation and negative autocorrelation so that multiple linear regression analysis to test the hypothesis of this study can be done further

4.3 Hypothesis Test

4.3.1 Partial Test Result (t-Test)

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.337	1.254		1.066	.288
	Consumer Behavior	.483	.090	.453	5.361	.000
	Product Quality	.322	.077	.374	4.167	.000
	Product Price	.139	.095	.100	1.459	.147

a. Dependent Variable: **Buying Decision**

Figure 4. 1 Partial Test.

The basis for decision making is that if $t\text{-count} > t\text{-table}$, then Hypothesis H_a is accepted. The results of calculations using SPSS obtained the value of the results of $t\text{-test} = 5.361$ and the value of $\text{Sig.} = 0,000$, $t\text{-test} = 4.167$ and the value of $\text{Sig.} = 0,000$ and the $t\text{-test} = 1.459$ and the value of $\text{Sig.} = 0.147$.

4.3.2 Simultaneous Test Result (Test F)

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1898.262	3	632.754	180.703	.000 ^b
	Residual	511.238	146	3.502		
	Total	2409.500	149			

a. Dependent Variable: Keputusan Pembelian

b. Predictors: (Constant), Harga Produk, Perilaku Konsumen, Kualitas Produk

Figure 4. 2 Partial Test.

The calculation results show that the $f\text{-count} = 180.703$ with the $\text{Sig.} = 0,000$ at the 5% significance level. Because $f\text{-count} > f\text{-table} = 180.703 > 2.667$ with $\text{Sig.} = 0,000 < 0.05$, it can be said that the Consumer Behavior variable (X1), Product Quality (X2) and Product Price (X3) simultaneously influence the Purchasing Decision (Y).

4.3.3 Sequence of Improvements by Researcher

Recommendations for improvement are made based on the results of output from the value of the analysis that has been obtained from the indicator then multiplied by the t value of the variable so that the priority value of which indicator will be corrected first is obtained.), Product Quality (X2) and Product Price (X3). The following is the order of repair table:

Table 4. 2 Sequence of Improvement.

No.	Variable	Dimension	Code	Gap Analysis Result	T-Count Result	Priority Result
1.	Consumer Behavior	Personality	X1.6	0,29	5,361	1,55
2.	Product Quality	Durability	X2.5	0,31	4,167	1,29
3.	Product Quality	Suitability	X2.4	0,26	4,167	1,08
4.	Product Quality	Privilege	X2.1	0,154	4,167	0,64

5.	Product Prices	Purchasing Power	X3.5	0,296	1,459	0,43
6.	Product Quality	Response	X2.8	0,09	4,167	0,38
7.	Consumer Behavior	Lifestyle	X1.2	0,07	5,361	0,375
8.	Product Prices	Competitiveness	X3.3	0,174	1,459	0,25
9.	Product Quality	Beauty	X2.7	0,04	4,167	0,16
10.	Product Quality	Reliability	X2.3	0,034	4,167	0,14
11.	Product Prices	Affordability	X3.1	0,08	1,459	0,11
12.	Consumer Behavior	Social Class	X1.1	0,014	5,361	0,075
13.	Product Prices Produk	Quality	X3.2	0,04	1,459	0,05

4.4 Program Improvements in Marketing Mix

1. Program Dissect (Personality, Lifestyle, Social Class)

This program will find out the basic outer layer of the problem, as we all know Polar needs to fix the customer dimension in customer requests while maintaining price, quality and brand image to keep the lifestyle going in demand. Therefore "Program Dissect" is where Polar seeks the customer's attention more than it used to by giving the customer more privilege such as taking their critics through comment, votes and direct message to create what customers really demand. Polar might use customer's demand like a bucket list and before every season Polar should take at least 5-10 samples of customer to brainstorm their next season theme.

2. Program Surgery (Durability, Conformity, Features, Response, Beauty, Reliability)

This Program is the continuous of "Program Dissect" where all the information and demands of customer is known. Moreover, this becomes a big advantage for Polar. In this case Polar just needs to operate and process what the customer wants, maintain the quality and adds more features to the products which means Polar has to find more alternative material or features to be given to the customer.

3. Program Stitches (Purchasing Power, Competitiveness, Affordability, Quality)

Finishing Program, finding out competitor's product quality and price is important, to maintain Polar's price is not too high nor too low, the quality as well are not too cheap nor too expensive to keep productive in the fashion market Polar has to survey its competitor more often. However, finding vendor of production that can maintain and exceed the markets quality is a key of success, this would help Polar get ahead of other competitors.

5.1 Kesimpulan dan Saran Conclusion

From the results of research and analysis conducted on respondents who are Polar followers and the discussion that has been presented in the previous chapter, several conclusions can be drawn that can be described as follows:

1. Correlation test results (R) and determination (R²) prove that Consumer Behavior (X1) and Product Quality (X2) have a positive and very strong influence on Purchasing Decisions (Y) while Product Prices (X3) have a negative influence but has a strong influence on Purchasing Decisions (Y). In addition there are also the results of the regression test succeeded in proving all the hypotheses (H_a) proposed in this study. Consumer Behavior Variable (X1) and Product Quality (X2) have a significant effect on Purchasing Decisions (Y) either partially

or simultaneously while Product Price (X3) does not have a significant effect but simultaneously influences Purchasing Decisions (Y). The dominant variable affecting Purchase Decisions among Consumer Behavior (X1), Product Quality (X2) and Product Price (X3) is Consumer Behavior because it has the greatest coefficient value of 0.483.

2. Based on these priority values, it indicates that personality are the indicators that must be improved first, after that successive indicators of endurance, suitability, privileges, purchasing power, response, lifestyle, competitiveness, beauty, reliability, affordability, social class and quality.

Saran

After conducting research on the effect of the marketing mix on Polar's buying decisions, comparing the weight of the marketing mix with the assessment of Polar's marketing mix and making a sequence of improvement of indicators in the marketing mix, the authors suggest several things that can be an improvement for Polar as follows:

1. Polar should consider to implement the proposed marketing mix improvement programs in their upcoming season.
2. The next research should measure the effectiveness of the proposed marketing mix improvement programs toward the increase of product sales.

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