

The Influence of the Marketing Mix on the Purchase Decision of Indihome PT. Telkom in Bogor City

Ina Herlawati ¹, Benny Osta Nababan ^{2*}, Septa Riadi ³

^{1,2} STIE Dewantara, Bogor, Indonesia, ³ Universitas Sang Bumi Ruwa Jurai, Bandar Lampung, Indonesia

*email: bennyosta11@gmail.com

Corresponding Author *

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ABSTRACT

This research was conducted to determine the effect of the marketing mix on the purchasing decision of IndiHome PT. Telkom in Bogor City. The variables of this study consisted of independent variables, namely product, price, location and promotion, while the dependent variable was the purchase decision of IndiHome PT. Telkom in Bogor City. The purpose of this study (1) is to determine the effect of the variables of the Marketing Mix consisting of Product (X1), Price (X2), Promotion (X3), Place (X4), Process (X5), People (X6), and Physical Evidence (X7) partially on the purchase decision of IndiHome PT. Telkom in the city of Bogor; (2) determine the effect of the variables of the Marketing Mix consisting of Product (X1), Price (X2), Promotion (X3), Place (X4), Process (X5), People (X6), and Physical Evidence (X7) simultaneously on the purchase decision of IndiHome PT. Telkom in the city of Bogor; (3) find out what marketing mix variables have the most dominant influence on PT Telkom's IndiHome Purchase Decision in the city of Bogor. This study uses a type of quantitative causality research. Before conducting data analysis, validity, reliability and hypothesis tests were carried out so that the data used were correct and consistent data. The data analysis methods used to achieve these objectives are: (1) Multiple linear regression test; (2) Test the coefficient of determination.

INTRODUCTION

In the development of information technology that follows the needs of the community with a wide range can be obtained by using the internet. As indicated by Ahmadi and Hermawan (2013), the Internet is a worldwide correspondence network that interfaces all PCs on the planet despite the fact that they have distinctive working frameworks and machines. Usually these internet users start from companies, governments, organizations, and Indonesian people by using computers, gadgets and the internet to access various information and communicate with other people around the world.

In this modern era, various companies see this as a profitable business opportunity. They offer a variety of products and services for them to sell to their consumers according to their individual needs. One of them is PT. Telkom City of Bogor is developing its opportunities by expanding its business which includes telecommunications, information, media and edutainment (TIME). Previously, Telkom had an internet product called Speedy. But in 2015 the Speedy service was discontinued and replaced with IndiHome (Indonesia Digital Home) which was officially launched that year. IndiHome includes three services commonly known as triple play, namely internet on-fiber/high speed internet, landline telephone, interactive television owned by UseeTV. Indihome is included in the types of products and services.

Based on information from trendsgoogle.com in 2020, Indihome PT. Telkom in the city of Bogor has the highest interest and popularity of the three other internet providers such as My Republic, First Media, and Biznet Home in 2016-2019 with an average value of 55. Meanwhile, the sales target of Indihome in the city of Bogor must reach 2880 per month, but in During the 2018-2019 period, Indihome sales experienced ups and downs and did not reach the targets set by the company.



<http://ojs.stiami.ac.id>



bijakjournal@gmail.com

To increase the sales volume of Indihome PT. Telkom in Bogor City needs to do the right strategy such as Marketing Mix (Marketing Mix), because this strategy is used to influence customers in buying a product or service.

Kotler (2000) characterizes the promoting blend as follows. "Promoting blend is a bunch of advertising instruments that an organization can use to accomplish its showcasing goals in the objective market". In the meantime, for administration advertising itself, it is important to have an extra extended promoting blend, to be specific non-conventional showcasing blend components comprising of: (individuals), processes (process) and actual offices (actual proof) so it turns into the 7Ps. The benefits of these seven factors can be known by clients and make clients keen on trying and afterward settling on a choice to purchase an item.

Based on the above research, the formulation of the problem is:

1. How do the variables of the marketing mix that consisted of Product(X_1), Price(X_2), Promotion(X_3), Points(X_4), Process (X5), Employee (X6) and Physical Evidence (X7) partially on the purchase decision of IndiHome PT. Telkom in Bogor City?
2. How is the influence of the variables of the Marketing Mix consisting of Product (X_1), Price (X_2), Promotion (X_3), Place (X_4), Process (X5), Employees (X6) and Physical Evidence (X7) simultaneously on the purchase decision of IndiHome PT. Telkom in Bogor City?
3. Which marketing mix variable has the most dominant influence on the Purchase Decision of IndiHome PT. Telkom in Bogor City?
4. How big is the influence of the marketing mix on the purchasing decision of Indihome PT. Telkom in Bogor City?

The motivation behind this review is to decide the impact of the advertising blend on buying choices, either at the same time or somewhat, to figure out which factors are the most predominant on buying choices, and to discover how much impact the promoting blend has on buying choices for Indihome in Bogor City.

THEORY

Marketing Mix

The marketing mix is an integrated marketing strategy which is divided into several elements of a marketing program that must be considered so that the company's marketing strategy implementation must be successful, these elements influence each other and influence the overall marketing strategy.

As indicated by Kotler and Armstrong (2012), "Promoting blend is the arrangement of strategic showcasing apparatuses that the firm mixes to create the reaction it needs in the objective market", implying that the advertising blend is a bunch of strategic promoting instruments that joins organizations to deliver the ideal reaction in the objective market. As indicated by Tjiptono and Chandra (2017) the showcasing blend program comprises of 7 (seven) parts in the advertising methodology, in particular Product, Price (value), Promotion (advancement), (place), People (individuals), (process), and Physical proof (actual proof).

Product

An item is whatever can be proposed to a market to fulfill a need or need, including actual products, administrations, encounters, occasions, individuals, places, properties, associations, data and thoughts (Kotler and Keller, 2009). The product is the result of the company's production process which will later be sold by the company or goods purchased for resale to final consumers for trading companies (Daryanto, 2013).

Price

Laksana (2008), cost is the measure of cash required in return for different blends of items and administrations. As per Kotler and Keller (2009) Price is the worth of cash to produce pay and

expenses. In the meantime, as per Daryanto (2013) cost is the measure of cash charged for an item or various qualities traded by customers for the advantages of utilizing the item.

Promotion

Advancement is a promoting action that tries to disperse data, impact, or convince and additionally help the objective market to remember the organization and its items to acknowledge, purchase and be faithful to the items presented by the organization concerned (Tjiptono, 2008).

As Kotler and Armstrong (2008) said that advancement is the organization's correspondence to purchasers of items or administrations created with an end goal to assemble beneficial connections.

Location

Location is the place where the company performs work activities. Kotler and Armstrong (2012) the basis of location theory reads: "Place it at the geographical point that gives the company the most in achieving its goals". The problem of determining the location of a business needs serious attention, each company will always try to choose a business location that is estimated to be able to provide the maximum profit.

According to Kotler and Armstrong (2012) the location of the company, namely shops, restaurants, stalls. Here the advantageous location is consumer-oriented. Location is very influential, in a place that is easily accessible to consumers without the need for energy and time. The optimal place is usually in the vicinity of the residence.

Process

Process - Zeithaml and Bitner (2000) contend that "Cycle is every one of the genuine systems, components, and stream of exercises used to convey administrations. This interaction component has the importance of an organization's endeavors in completing and doing its exercises to address the issues and wants of its customers. As indicated by (Yazid, 2003) the interaction is a mix, all things considered, for the most part comprising of systems, work plans, components, exercises and routine matters, where administrations are delivered and given to purchasers.

People

As Zeithaml and Bitner (2000) said that "Individuals are generally entertainers who assume a part in the introduction of administrations with the goal that they can impact purchaser discernments. The components of representatives (individuals) are organization workers, customers, and outside shoppers in the assistance climate.

Physical evidence

As Zeithaml and Bitner (2000) contends that "Actual proof is something that fundamentally impacts the traveler's choice to purchase and utilize the items and administrations advertised". Signs of actual proof (physical obvious) are:

1. Climate, in particular a climate with agreeable and appealing conditions at the client's inner and outside areas.
2. Additional facilities, namely by providing supporting facilities to provide comfort for consumers.

Consumer Purchase Decision Making

The method involved with settling on a purchasing choice prior to purchasing an item or administration, buyers for the most part assess for the choice of the item they need to purchase. The assessment and choice utilized will bring about a choice. The buying dynamic cycle incorporates the buy dynamic interaction with assessment of options, the stages in the purchasing dynamic interaction, the levels in the purchasing dynamic cycle and what variables impact the purchasing dynamic cycle.

According to Alma (2013) suggests that the buy choice is a shopper choice that is impacted by the monetary economy, innovation, legislative issues, culture, item, value, area, advancement, actual proof, individuals and cycle.

RESEARCH METHOD

This kind of research is a quantitative causality, it used to decide the impact of showcasing blend factors (X) including item, value, advancement, area, individuals, process and actual proof on purchaser buying choices (Y).

Data and Variables

The information utilized in this review are essential information. In this review, essential information incorporates information from the dispersion of polls to respondents. The exploration factors comprise of 2 (two) sorts, in particular: subordinate variable or factors that rely upon different factors, and autonomous factors or factors that don't rely upon different factors. The factors utilized in this review are:

1. dependent variable is the Purchase Decision (Y) IndiHome The independent
2. variable is:
 - a. Product (X_1)
 - b. Price (X_2)
 - c. Promotion (X_3)
 - d. Location (X_4)
 - e. Process (X_5)
 - f. People (X_6)
 - g. Physical evidence (X_7)

Data Analysis Method

The analytical tool used to test the hypothesis in this study is multiple linear regression using a significant level of 10%. And to get good results, multiple linear regression requires the classical assumption test.

Normality Test

According to Ghazali (2016:154) the normality test is carried out to test whether in the regression model the independent variable and the dependent variable or both have a normal distribution or not. The normality test aims to test whether the dependent variable and the independent variable have a normal distribution. In this study, the researcher used the *one sample Kolmogorov-Smirnov test*, with a significance level of 10% or the data was said to be normally distributed if the significance value was $> 10\%$.

Validity Test

To find out whether the research data is able to produce accurate data according to the purpose of its size, a validity test is needed (Azwar, 2008). Validity is the extent to which it is able to measure the attributes that should be measured. The validity of the measuring instrument is an index of accuracy, namely the extent to which the accuracy and accuracy of the measuring instrument reveals the symptoms to be measured.

Reliability Test

Reliability means the level of confidence in the results of a measurement that has high reliability, namely the influence that is able to provide reliable measurement results. Reliability is one of the main characteristics or characteristics of a good influence instrument. Reliability testing is to test the tendency or confidence of the measurement tool by obtaining the r value from the reliability test which shows the results of the correlation index which states whether there is a relationship between the two instruments.

Multiple Linear Regression Analysis

In this analysis it can be seen how much the independent variable, the variable product(X_1), price(X_2), promotion (X_3), the location(X_4), process(X_5), the(X_6), physical evidence (X_7), has an effect on the dependent variable, namely purchasing decisions (Y). The form of the multiple linear regression equation used in this study is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + e$$

Description:

Y	= purchasing decisions of customers in IndiHome
α	= constant of decisions regression
β_1	= regression coefficient of variable X_1 (product / product)
β_2	= regression coefficient of variable X_2 (the price / price)
β_3	= regression coefficient of variable X_3 (sale / promotion)
β_4	= regression coefficient of variable X_4 (location / place)
β_5	= regression coefficient of variable X_5 (process / process)
β_6	= regression coefficient of variable X_6 (people / people)
β_7	= regression coefficient of variable X_7 (evidence physical / physical evident)
X_1	= product(product)
X_2	= price(price)
X_3	= promotion(promotion)
X_4	= location(place)
X_5	= process(process)
X_6	= person(people)
X_7	= physical evidence (physical evident)
e	= disturbing variable

Likert scale

According to Sugiyono (2012:93) Likert scale is a scale used to measure attitudes, beliefs pat, and the perception of a person or group of people about social phenomena. The Likert scale used in this study includes five levels as presented in the table below:

Table 1. Likert Scale

Alternative Assessment	Answer Score
Strongly Disagree (STS)	1
Disagree (TS)	2
Moderately Agree (CS)	3
Agree (S)	4
Strongly Agree (SS)	5

Significance Test t (Partial Hypothesis Test)

The t test is used to determine how far the influence of one independent variable individually in explaining the variation of the dependent variable. In this study, the test was carried out with the aim of testing the effect of the independent variables (product, price, promotion, location, people, process, and physical evidence) on the dependent variable (purchase decision) separately or partially.

According to Imam Ghazali (2005: 85) in Arum Puspa Utami (2016: 61), that the basis for decision making is as follows:

1. By comparing the calculated t value with the t table. If $t \text{ count} < t \text{ table}$, then H_0 is accepted and H_1 is rejected. If $t \text{ count} > t \text{ table}$, then H_0 is rejected and H_1 is accepted with a significance level of 10%.

2. By using a significance probability figure. If the probability of significance is > 0.10 , then H_0 is accepted and H_1 is rejected. If the probability of significance is < 0.10 , then H_0 is rejected and H_1 is accepted.

Simultaneous Significance Test (F Test)

The F test is used to determine the significance level of the effect of the independent variables simultaneously (simultaneously) on the dependent variable (Ghozali, 2005:84). In this study, simultaneous hypothesis testing is intended to measure the effect of product, promotion, price, and location together on the dependent variable, namely purchasing decisions.

Test The coefficient of determination(R^2)

The coefficient of determination(R^2) is used to measure the contribution of independent variables on the dependent variable. If the coefficient of determination (R^2) is getting bigger (closer to one) it shows the better X's ability to explain Y, where $0 < R^2 < 1$. On the other hand, if R^2 is getting smaller (close to zero), it can be said that the influence of the independent variables studied to the dependent variable.

RESULTS AND DISCUSSION

Multiple Linear Regression Test

Based on the results of multiple linear regression, the regression equation obtained is:

$$Y = 2.236 - 0.246X_1 + 0.52X_2 - 0.76X_3 + 0.319X_4 + 0.318X_5 + 0.189X_6 + 0.534X_7$$

1. The constant value is 2.236, which means that if other variables do not exist (zero value) then the purchase decision will be constant.
2. The value of the product variable regression coefficient (X_1) is -0.246 indicating that if the product value (X_1) is increased by one unit, the purchasing decision (Y) will decrease -0.246.
3. The regression coefficient value of the price variable (X_2) of 0.052 indicates that if the price value (X_2) increases by one unit, the purchasing decision (Y) will increase by 0.052.
4. The regression coefficient of the promotion variable (X_3) is -0.076, indicating that if the promotion value (X_3) is increased by one unit, the purchasing decision (Y) will decrease -0.076.
5. The regression coefficient value for the location variable (X_4) is 0.319, indicating that if the location value (X_4) increases by one unit, the purchasing decision (Y) will increase by 0.319.
6. The regression coefficient value of the process variable (X_5) of 0.318 indicates that if the value of the process (X_5) increases by one unit, the purchasing decision (Y) will increase by 0.318.
7. The value of the employee variable regression coefficient (X_6) of 0.189 indicates that if the value of people (X_6) increases by one unit, the purchasing decision (Y) will increase by 0.189.
8. The regression coefficient value of the physical evidence variable (X_7) of 0.534 indicates that if the value of physical evidence (X_7) increases by one unit, the purchase decision (Y) will increase by 0.534.

Coefficient of Determination Test

From the table of the coefficient of determination (R^2) it shows the amount of adjusted R^2 is 0.63, this means that 63% of the Purchase Decision variables can be explained by independent variables, namely Product, Price, Promotion, Location, Process, People, and Physical Evidence. While the remaining 37% (100-63%) is explained by other reasons outside the model. The Standard Error of the Estimate (SEE) from the table above is 1.297. The smaller the SEE value, the more accurate the regression equation will be in predicting the dependent variable.

Table 2. Coefficient of Determination Test Results

Model	R	R Square	Adjusted R Square	Std. error of the Estimate
1	,810 ^a	,657	,630	1,297

The results of the R^2 test show that the purchasing decision variables can be explained by variables from Product, Price, Promotion, Location, Process, People, and Physical Evidence. So that the presence of Products, Prices, Promotions, Locations, Processes, People, and Physical Evidence can influence customers on purchasing decisions of IndiHome PT. Telkom City Bogor. The results of the R^2 test show that the purchasing decision variables can be explained by variables from Product, Price, Promotion, Location, Process, People, and Physical Evidence. So that the presence of Products, Prices, Promotions, Locations, Processes, Employees, and Physical Evidence can influence customers on purchasing decisions of IndiHome PT. Telkom City Bogor.

Simultaneous F Test

Based on the results of simultaneous hypothesis testing as shown in the ANOVA table below, it is known that the calculated f value is 25,122 with a probability of 0.000. $f \text{ count } 25,122 > f \text{ table } 1.78$ and probability <0.1 then the regression can be said that product, price, promotion, location, process, people and physical evidence variables influence the purchasing decision of IndiHome PT. Telkom City Bogor.

Table 3. Simultaneous F Test Results

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	295 674	7	42 239	25 122	.000 ^b
Residual	154 686	92	1,681		
Total	450 360	94			

Based on the hypothesis that H_0 is rejected and H_a accepted if $F \text{ count} > F \text{ table}$.

Partial Hypothesis Testing The

1. t-count value on the Product variable (X_1) is -2.480. The value of t count $-2.480 < t \text{ table value of } 1.291$ and a significance level of $0.015 < 0.1$, then the individual product variable has no significant effect on purchasing decisions.
2. The value of t arithmetic on the variable Price (X_2) is 0.603. The t-count value is $0.603 < t \text{ table value } 1.291$ and the significance level is $0.548 < 0.1$, then the individual product variable has no significant effect on purchasing decisions.
3. The calculated t value for the Promotion variable (X_3) is -0.704. The t-count value is $-0.704 < t \text{ table value } 1.291$ and the significance level is $0.484 < 0.1$, then the individual product variable has no significant effect on purchasing decisions.
4. The value of t count on the Location variable (X_4) is 3.621. The t-count value is $3.621 > t \text{ table value } 1.291$ and the significance level is $0.000 < 0.1$, then the product variable individually has an effect and is significant on purchasing decisions.
5. The value of t count on the Process variable (X_5) is 1.789. The t-count value is $1.789 > t \text{ table value } 1.291$ and the significance level is $0.077 < 0.1$, then the product variable individually has a significant and significant effect on purchasing decisions.
6. The t-count value on the Person (X_6) variable is 2.607. The t-count value is $2.607 > t \text{ table value } 1.291$ and the significance level is $0.011 < 0.1$, then the product variable individually has a significant and significant effect on purchasing decisions.
7. The value of t count on the Physical Evidence variable (X_7) is 4.379. The t-count value is $4.379 > t \text{ table value } 1.291$ and the significance level is $0.000 < 0.1$, then the individual product variable has a significant and significant effect on purchasing decisions.

Final Recapitulation of Marketing Mix Frequency

Table 4. Final Recapitulation of Marketing Mix Frequency

No.	Indicator	Average Value	Assessment criteria
1	Product	3.3	Good
2	Price	3.58	Good
3	Promotion	3.81	Good
4	Location	3.32	Good
5	Process	3.70	Good
6	People	3.61	Good
7	Physical Evidence	3.67	Good
8	Purchasing Decisions	3.64	Good
Average		3.52	Good

CONCLUSION

The results of this study are as follows:

1. The consequences of the WMS investigation, it very well may be presumed that the most elevated normal worth of understanding is the advancement marker with a worth of 3.81 which is in great standards, while the least normal worth is the item pointer with a worth of 3.3 which implies in decision making ability. In reiteration, the normal worth of all markers is 3.52, which implies great. Accordingly, it shows that the general advertising blend on the buying choice of IndiHome PT. Telkom in Bogor City can be proclaimed great by clients.
2. The consequences of the synchronous theory testing are known as the determined f worth of 25,122 with a likelihood of 0.000. f count 25,122 > f table 1.78 and likelihood < 0.1 then relapse can be utilized to anticipate buying choices. One might say that item, value, advancement, area, cycle, representative and actual proof factors influence the buying choice of Indihome PT. Telkom in Bogor City. In light of the arrangements of the theory that H_0 is dismissed and H_a is acknowledged whether F count > F table.
3. The consequences of the incomplete theory show that of the 7 showcasing blend factors, item, cost and advancement factors have no impact on buying choices, while area, cycle, representative and actual proof factors affect buying choices of IndiHome PT. Telkom in Bogor City. This is demonstrated by the t-worth of the area, interaction, representative and actual proof factors whose worth is more prominent than the t-table worth.
4. The coefficient of assurance test results acquired changed R^2 of 0.63 this implies that 63% of IndiHome buying choices PT.Telkom Bogor City are mutually affected by the showcasing blend (item, value, advancement, area, cycle, representatives and actual proof), while the leftover 37% of IndiHome buying choices at PT. Telkom Bogor City is affected by different factors which in this review were not inspected.
5. The aftereffects of the various direct relapse test got the relapse condition, specifically $Y = 2.236 + (-0.246) X_1 + 0.52 X_2 + (-0.76) X_3 + 0.319 X_4 + 0.318 X_5 + 0.189 X_6 + 0.534 X_7$. This shows the extent of the impact of the advertising blend variable on the buying choice variable.

6. The most prevailing variable impacting buying choices is the actual proof variable, this can be seen from the relapse coefficient worth of the actual proof variable of 0.534.

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