

THE INFLUENCE OF MARKETING MIX ON PURCHASING DECISIONS (STUDY OF KALIKA PROPERTY CONSUMERS IN PURBALINGGA)

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Abstract: The main factors that influence home purchases include the need for a comfortable place to live, strategic location, adequate facilities, and ease of financing such as Home Ownership Credit (KPR) The need for a house is often considered a profitable long-term investment because the value of the property tends to increase The decision to buy a house requires comprehensive consideration, including price, location, building quality, and access to public facilities Therefore, developers need to understand community preferences in order to offer products that suit market needs This study aims to determine how the marketing mix influences products, prices, promotions and places on purchasing decisions of Kalika Property consumers in Purbalingga Regency This study uses a quantitative approach with data sources derived from questionnaires given to Kalika Property Consumers in Purbalingga Regency with a total of 75 respondents This study uses smartPLS 3 as a data analysis and the results of this study indicate that products, prices and promotions have a significant positive effect on purchasing decisions but places have a negative and insignificant effect on purchasing decisions

Keywords: Marketing Mix, Purchasing Decisions

INTRODUCTION

A house is one of the basic human needs besides clothing and food. For people, a house is not only a place of shelter, but also a symbol of social status, future investment, and a source of comfort. The demand for houses continues to increase along with population growth, urbanization, and increasing awareness of the importance of having a decent home. There are various reasons that encourage people to buy a house. First, the need for a safe and comfortable place to live is the main factor. Many people want a house that suits their lifestyle, such as a strategic location, adequate facilities, and modern design. Second, economic factors also influence the decision to buy a house.

With the increasing number of financing programs such as Home Ownership Credit (KPR) from banks, owning a house has become more affordable for the community. In addition, buying a house is often considered a long-term investment. The property value that tends to increase every year makes a house one of the profitable investment instruments. Some people also buy houses to rent or resell, so that they can provide additional income. However, the decision to buy a house cannot be separated from various considerations, such as price, location, building quality, developer reputation, and ease of access to public facilities. Therefore, it is important for property developers to understand the needs and preferences of the community in order to offer products that are in accordance with market desires.

Decision making is a step of consideration in purchasing a number of goods or services that are influenced by environmental influences and individual differences so that they cause a satisfying effect after a decision is made. Before making a purchase, consumers will generally look for information about the desired house, assess, compare. There are also many different models or types of housing, comfort factors of housing. So consumers must pay attention to buying a house starting from the income they have, the price offered, the location that is used as a place for a long time (Ardiansyah, 2020). Many factors influence the

decision to purchase a product by consumers, including the marketing mix which includes products, prices, locations and promotions.

A product is something that can be offered to the market to be considered, used, owned or consumed so that it can satisfy desires or needs to achieve goals in accordance with the competence and capacity of the organization and the purchasing power of the market (Firmansyah, 2019). This is also supported by the research results of Anjani & Sinulingga (2020), Sugianto & Ginting (2020) and Kumala & Anwar (2020) which prove that products as one of the marketing mixes have a significant effect on housing purchase decisions. However, the research results of Nahya et al. (2019), Sari & Adyas (2020) provide empirical evidence that products do not affect purchasing decisions.

Price is a unit or amount spent in the form of money in obtaining the amount of goods and services. The price of a house that is affordable by the income of the individual, then the need for a house becomes the main priority, besides that there are environmental factors, facilities and proximity to relatives that can be considered by individuals in buying a house (Kholida, 2021). This is also supported by the research results of Senggetang et al. (2019), Nahya et al. (2019), Sugianto & Ginting (2020), Sholihuddin et al. (2020) which provide empirical evidence that price has a significant effect on housing purchase decisions. Meanwhile, research by Suparno & Suwito (2019), Anjani & Sinulingga (2020), Sari et al. (2020) provides empirical evidence that price does not affect housing purchase decisions.

Location is an area that will be used for activity purposes. In this case, the demand for a residence is also based on location factors, whether the location is suitable, appropriate and also strategic. Choosing a good location is a very important decision. The location chosen must be able to experience economic growth so that the business can be maintained. If the location value deteriorates due to environmental changes that can occur from time to time, the business may have to be moved or closed (Novalinda, 2021). This is also supported by the research results of Senggetang et al. (2019), Anjani & Sinulingga (2020), Sholihuddin et al. (2020) which provide empirical evidence that location has a significant effect on housing purchase decisions. However, the research results of Suparno & Suwito (2019) provide empirical evidence that location does not affect housing purchase decisions.

Promotion is one of the variables in the marketing mix. Promotion is communication that invites, urges, persuades and convinces. In this case, the promotional mix that can be done is for example with advertising, personal selling or sales promotion (Sitorus & Utami, 2017). This is also supported by the research results of Senggetang et al. (2019), Anjani & Sinulingga (2020), Hastuti & Anasrulloh (2020) which provide empirical evidence that promotion has a significant effect on housing purchase decisions. However, the research results of Sari & Adyas (2020) provide empirical evidence that promotion does not affect home purchase decisions. With this background, understanding the motivations and factors that influence people's decisions to buy a house is a relevant topic to study. This can help various parties, both the government and property developers, in designing better strategies to meet people's housing needs.

In this context, this study aims to determine the effect of the marketing mix on home purchase decisions at Kalika Property. The variables observed in this study are product, price, promotion and location. Thus, this study can provide a more complete picture of how the marketing mix influences consumer purchasing decisions in buying property.

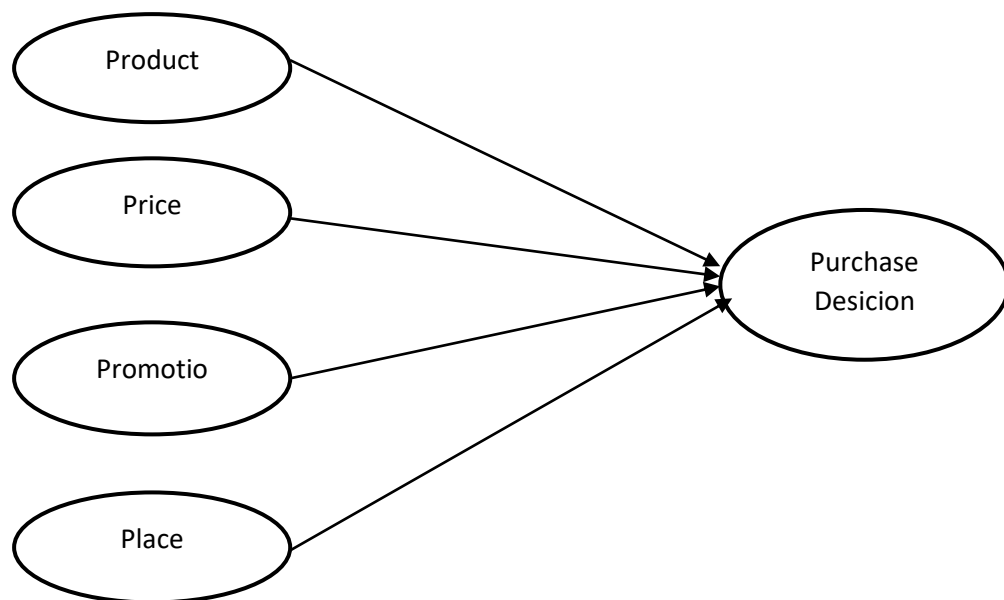
RESEARCH METHOD

The method used in this study is quantitative because this study collects quantitative data to be processed statistically. Quantitative research is an approach used to analyze a particular population or sample by collecting data through prepared research instruments.

The data analysis technique used in this study is the SEM (Structural Equation Modeling) analysis method with the PLS (Partial Least Square) approach using SmartPLS 3 software.

Sugiyono (2014: 80) states that population is a generalization area, objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions. The population in this study were consumers who bought houses from Kalika Property Purbalingga. The method for determining samples according to (Hair, Ringle, and Sarstedt 2012) explains that the number of research samples must be adjusted to the number of indicators that are the question items used in the questionnaire, assuming $n \times 5$ observed variables (indicators) up to $n \times 10$ observed variables (indicators).

The data collection process was carried out using a questionnaire, which is a method of collecting data by providing a series of questions or statements to respondents to answer. In data analysis, researchers used a Likert scale to give weight to each question, with the aim of classifying the variables being measured so that there are no errors in data analysis and to ensure the smoothness of the next research steps.



RESULT AND DISCUSSION

Research Result

1. Validity Test

Validity testing is testing aimed at finding out whether data can be trusted and its truth is in accordance with reality (Sugiyono, 2014: 121).

Table 1 Outer Loading

Variable	Outer loadings	VIF	Variable	Outer loadings	VIF
X11	0783	1722	X41	0661	1557
X12	0814	2083	X42	0715	1593
X13	0801	2097	X43	0805	1933
X14	0631	1345	X44	0804	1745
X15	0845	2084	X45	0768	1796
X21	0744	1734	Y1	0772	1663
X22	0611	1694	Y2	0768	1588

Variable	Outer loadings	VIF	Variable	Outer loadings	VIF
X23	0694	1974	Y3	0840	1946
X24	0837	1922	Y4	0809	1865
X25	0838	1991			
X31	0859	2055			
X32	0839	2121			
X33	0811	1924			
X34	0852	2145			

From the results of data processing, all indicators have an outer loading value of more than 0.6. So it can be stated that all indicators in this research can be continued for further data processing.

2. Reliability Test

Reliability is actually a tool for measuring a questionnaire which is an indicator or construct (Sugiyono, 2014:47).

Table 2 Construct Reliability & Validity

	<i>Cronbach's Alpha</i>	<i>rho_A</i>	<i>Composite Reliability</i>	<i>Average Variance Extracted (AVE)</i>
X1	0836	0852	0884	0606
X2	0808	0844	0864	0563
X3	0862	0872	0906	0707
X4	0807	0820	0867	0566
Y	0809	0811	0875	0636

a. The results of Cronbach alpha > 0.7

The Cronbach's alpha value of each variable dimension is more than 0.7. This means that all variables are said to be reliable based on the Cronbach's Alpha results.

b. The results of rho_A > 0.7

The rho_A value of each variable dimension is more than 0.7. This means that all variables are said to be reliable based on the rho_A results.

c. The results of composite reliability are > 0.6

The Composite Reliability value of each variable dimension is more than 0.6. This means that all variables are said to be reliable based on the composite reliability results.

d. Results from Average Variance Extracted (AVE) > 0.5

The AVE value of each variable dimension is more than 0.5. This means that all variables are said to be reliable based on the AVE results.

3. R-square

To be able to test the research structural model with PLS, you can start by measuring the R-square value for each dependent (endogenous) latent variable. Changes in the R-square value are used to test how the dependent (exogenous) latent variable simultaneously influences the endogenous latent variable to see whether it has a substantive influence (Al-Anshar, 2018; Fadli, 2020).

Table 3 R-Square

	R Square	R Square Adjusted
Latent Variable 5	0904	0898

Judging from table 3, it shows an R-Square value of 0.904. From this value it can be interpreted that the dependent variable or purchasing decision can be influenced by product, price, promotion and place variables by 0.904 or 90.4%. Meanwhile, the remaining 9.6% can be influenced by other variables not examined in this research.

4. Path Coefficient

The path coefficient is a value to indicate the direction of the variable relationship, whether the hypothesis has a positive or negative influence, with the criteria for the path coefficient value being between (-1) to 1. If the variable has a value in the range 0 to 1, then the variable has the influence relationship is positive, but if the variable has a value between 0 to (-1) then it has a negative influence relationship. The larger the number shown, the greater the influence of the independent variables on the dependent variable.

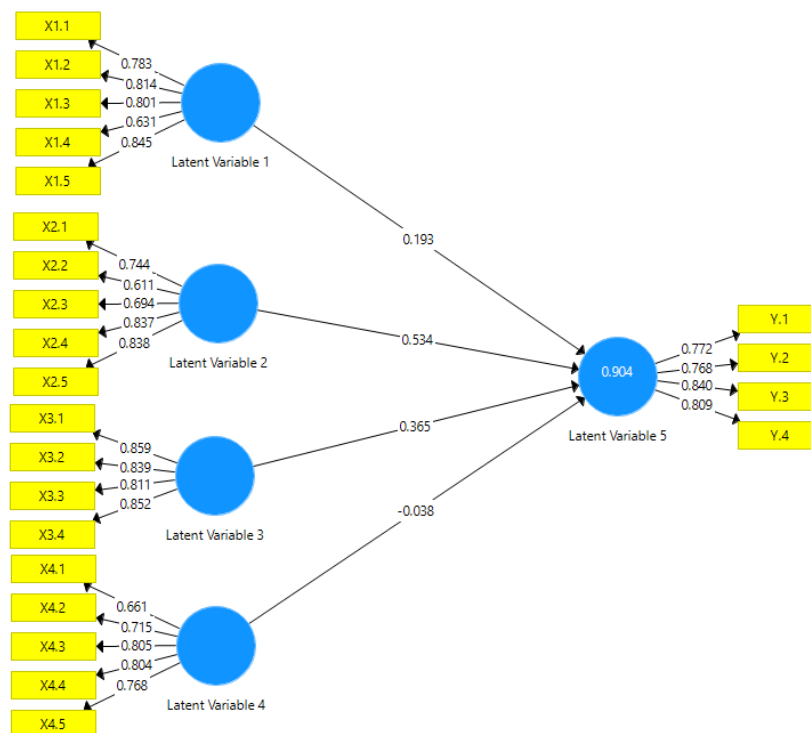


Figure 1 Path Coefficient

- The path coefficient value for the Product variable (X1) has a value of 0.193. This value is in the range 0 to 1. So the Product variable (X1) has a positive influence on the Purchase Decision variable (Y).
- The path coefficient value for the Price variable (X2) has a value of 0.534. This value is in the range 0 to 1. So the Price variable (X2) has a positive influence on the Purchase Decision variable (Y).
- The path coefficient value for the Promotion variable (X3) has a value of 0.365. This value is in the range 0 to 1. So the Promotion variable (X3) has a positive influence on the Purchase Decision variable (Y).

- d. The path coefficient value for the Place variable (X4) has a value of -0.038. This value is in the range 0 to -1. So the Place variable (X4) does not have a positive influence on the Purchase Decision variable (Y).

Based on the results of the path coefficient above, it can be concluded that the larger the number shown, the greater the influence of the independent variables on the dependent variable.

5. *T-Statistics (Bootstrapping)*

To be able to determine the significance, t-statistic values and p-values are calculated through bootstrapping tests between exogenous variables and endogenous variables in order to determine the significance between these variables (Fadli, 2020). The criteria for testing this research hypothesis are if the t-statistic value is > 1.96 , and the variable has a significant p-value below 5% or 0.05 then the hypothesis is accepted

Table 4 Mean, STDEV, T-Values, P-Values

	<i>Original Sample (O)</i>	<i>Sample Mean (M)</i>	<i>Standard Deviation (STDEV)</i>	<i>T Statistics (O/STDEV)</i>	<i>P-Values</i>
X1>Y	0193	0199	0083	2326	0020
X2>Y	0534	0531	0071	7524	0000
X3>Y	0365	0360	0063	5745	0000
X4>Y	-0038	-0036	0061	0625	0532

Based on table 4 above, it can be seen that:

1. The t-statistic value for variable X1 against Y is 2326, which is above 1.96, and the p-value significance of 0.020 is below the significance level of 0.05, meaning X1 against Y is significant.
2. The t-statistic value for variable X2 against Y is 7524, which is above 1.96, and the p-value significance of 0000 is below the significance level of 0.05, meaning X2 against Y is significant.
3. The t-statistic value for variable X3 against Y is 5745, which is above 1.96, and the significance p-value is 0000, which is below the significance level of 0.05, meaning X3 against Y is significant.
4. The t-statistic value for variable X4 against Y is 0.625, which is below 1.96, and the p-value significance of 0.0532 is above the significance level of 0.05, meaning X4 against Y is not significant.

DISCUSSION

The characteristics of the respondents in this study are explained through data descriptions. The results show that out of 76 respondents, the majority were male, 26 people (34.2%), while the other 50 respondents (65.8%) were female. In terms of age, the largest group was in the range of 22-34 years with 53 people (69.7%), while the age group of 35-40 years with 20 people (26.3%) while those over 45 years were the least, namely 3 people (4%). In terms of occupation, respondents with the profession of teacher were 14 people (18.4%), health workers 3 people (3.9%), TNI/Polri 2 people (2.6%), banker 4 people (5.2%), self-employed 12 people (15.8%) and other jobs 41 people (54.1%). The majority of respondents know Kalika property from Facebook ads as many as 18 people (23.7%), friends / best friends as many as 15 people (19.7%), Instagram ads as many as 15 people (19.7%), family 11 people

(14.4%), banner ads 9 people (11.8%), YouTube 2 people (2.6%) and website ads 1 person (1.3%).

Respondent characteristics based on nominal income with income < Rp 3,000,000 as many as 21 people (27.6%), Rp 3,000,000-5,000,000 as many as 28 people (36.8%), Rp 5,000,000-1,000,000 as many as 24 people (31.6%), Rp 1,000,000-2,000,000 as many as 1 person (1.3%), and > Rp 2,000,000 as many as 2 people (2.7%).

Based on the results of the questionnaire distribution, it can be concluded that Kalika Property Purbalingga has implemented a marketing mix including products, prices, promotions and places well in accordance with the theory of each marketing mix. Based on the results of the structural model evaluation, it can be concluded as follows: The product variable has a positive and significant effect on purchasing decisions for customers who buy products from Kalika Property Purbalingga. This is evidenced by the t-statistic value on the X1 variable against Y of 2326, the value is above 1.96 and the significance value of p-values of 0.020 is below the significance value of 0.05 so that the hypothesis is accepted. Product quality has a very important role, especially for a house.

The house is expected to be able to provide comfort for its occupants and has resistance to various weather conditions in the long term. In this study, product quality can influence purchasing decisions, because Kalika Property Purbalingga offers comfort and livability, attractive housing designs, and a guarantee for repairs if there is damage to the house. The results of this study are in line with the findings obtained by Anjani & Sinulingga (2020), Sugianto & Ginting (2020), and Kumala & Anwar (2020), which prove that the product as one of the elements of the marketing mix has a significant influence on housing purchasing decisions.

The price variable has a positive and significant effect on purchasing decisions for customers who buy products from Kalika Property Purbalingga. This is evidenced by the t-statistic value on the X2 variable against Y of 7524, the value is above 1.96 and the significance value of the p-values of 0000 is below the significance value of 0.05 so that the hypothesis is accepted. These results indicate that the majority of consumers prioritize the marketing mix factor in the form of price, which has a greater influence on their decisions to buy housing compared to product, location, and promotion factors. According to researchers, the influence of the price factor on purchasing decisions shows that the price marketing mix plays an important role, because when consumers are interested in buying a house, they will consider their financial ability to pay for the house. The results of this study are in line with the findings of Nahya et al. (2019), which state that the price factor is one of the most important aspects that can influence consumer purchasing decisions.

Promotion variables have a positive and significant effect on purchasing decisions for customers who buy products from Kalika Property Purbalingga. This is evidenced by the t-statistic value on the X3 variable against Y of 5745, the value is above 1.96 and the significance value of p-values of 0000 is below the significance value of 0.05 so that the hypothesis is accepted. Intensive promotions carried out by the Kalika Griya Property Purbalingga developer can have a major influence on people's interest in buying a house. Various information received by the public, either through advertisements on TV, brochures, colleagues, or the internet, greatly helps them to obtain complete information according to their needs and expectations. The results of this study are in line with the findings of Senggetang et al. (2019), Anjani & Sinulingga (2020), and Hastuti & Anasrulloh (2020), which provide empirical evidence that promotions have a significant influence on housing purchasing decisions.

The place variable has a negative and insignificant effect on purchasing decisions for customers who buy products.k from Kalika Property Purbalingga. This is evidenced by the t-

statistic value on the X4 variable against Y of 0625, the value is below 1.96 and the significance value of the p-values of 00532 is above the significance value of 0.05 so that the hypothesis is rejected. This means that although there is a relationship between "place" and purchasing decisions, the relationship is not strong enough to be considered significant. In addition, the p-value of 00532 is also greater than 0.05. A p-value greater than 0.05 confirms that the hypothesis proposed (that the "place" variable influences purchasing decisions) is rejected. In other words, the "place" variable does not have a significant influence on consumer purchasing decisions for Kalika Property Purbalingga products. This statement is not in line with the opinion of Ardiansyah (2020) who stated that location influences purchasing decisions, because location is considered a very important factor for prospective consumers in making purchasing decisions.

CONCLUSION

Based on the results of the research, analysis and discussion that have been presented above, Kalika Property Purbalingga has successfully implemented the marketing mix, including product, price, promotion, and place well in accordance with the theory of each marketing mix. The results of the structural model evaluation show that the product, price, and promotion variables have a positive and significant effect on customer purchasing decisions. This is indicated by a t-statistic value greater than 1.96 and a p-value less than 0.05, so the hypothesis for these three variables is accepted.

However, the place variable shows different results, namely a negative and insignificant effect on purchasing decisions. The t-statistic value for the place variable is below 1.96, and the p-value is greater than 0.05, which indicates that the hypothesis for this variable is rejected. Overall, the product, price, and promotion factors have a significant contribution to customer purchasing decisions, while the place factor does not have a significant effect.

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