THE ROLE OF MARKETING MIX (7P) FOR CONSUMER BUYING DECISION PASTRY CAKE IN MALANG CITY

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ABSTRACT

Purpose *– The study seeks to examine which Marketing Mix (7P) variables influence on consumer buying decision to pastry cake. This paper aims to explore seven variables of Marketing Mix (7P): product, price, place, promotion, people, process, and physical evidence.*
Design/methodology/approach *– The research was founded on a quantitative field study, quota sampling method, whose sample was comprised of 55 consumers from Patisserie "The Harvest" in Malang.*
Findings *– The findings among the entire sample imply that marketing mix (7P) which consist of the product (X1),price (X2), place (X3), promotion (X4), people (X5), process (X6), and physical evidence (X7) simultaneously influence significantly to Pastry Cake"s consumer buying decision in Malang and consumer buying decision is positively influenced by all of the variables. The variable physical evidence partially dominant significantly influencing consumer buying decision to pastry cake.*
Originality/Value *– These findings indicates that Marketing Mix (7P) can play important role on consumer buying decision. Consumers very sensitive on the prices and expects to get more promotion with interesting event. In term of managerial implications, keep and maintaining the quality of product and service, search strategies place, set operasional and financial as well as possible, make interesting event for promotion. Patisserie should make adjustments by purchasing power of the community.*

Keywords: Marketing Mix (4P), Consumer Buying Decision, Patisserie, Pastry Cake, Malang City

INTRODUCTION

Malang is city in East Java, Indonesia. Malang known as the city of education or students and tourism city. In Malang population increase from year to year because newcomer to education and tourism. From Dinas Kependudukan dan Pencatatan Sipil Kota Malang.s data, Malang's

population per 1 March 2014 is 847.592 people. Many newcomers increased the opportunity culinary business. One of culinary business in Malang is patisserie. Many competition in pastry cake business (patisserie) need marketing strategy and good planning. According to Hurriyati (2010) said that the concept of traditional marketing mixconsist of 4P i.e product, price, place, and promotion. Meanwhile for service marketing need expanded marketing mix for service with addition of the non-traditional marketing mix, i.e people, process, physical evidence, so that is become seven variable. Every variable from seven variables marketing mix interconnected and independent of one another and have optimal mixture in accordance with it characteristic segment. This research for can compete in pastry cake business (patisserie) in Malang.

Conceptual Background

In accordance with the research question, the conceptual framework (see Figure 1) was developed to guide this study.

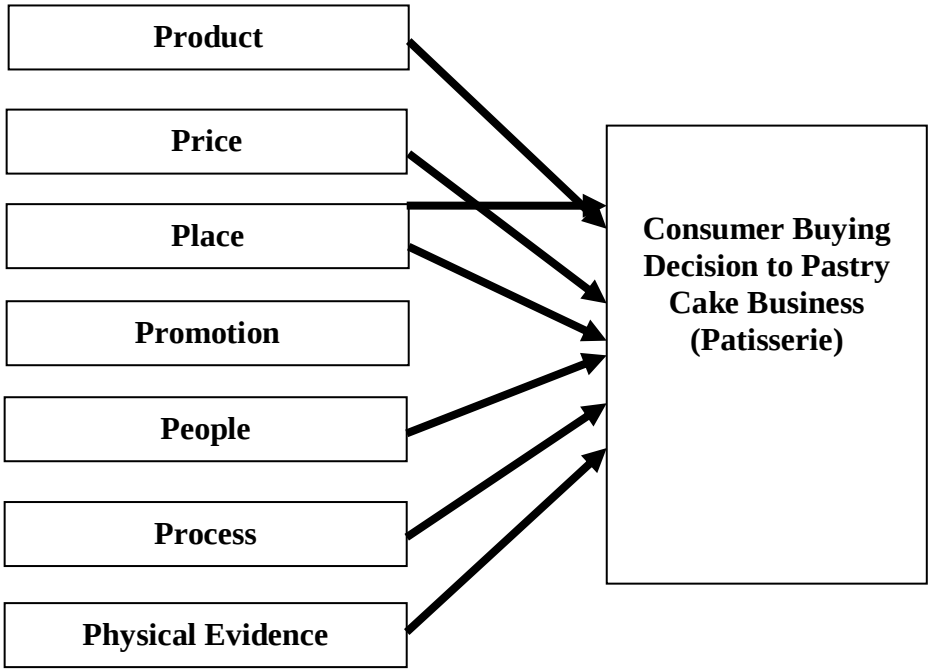

Figure 1. Conceptual

LITERATURE REVIEW

Pastry

In dictionary (Salim,2003) said that pastry is batter wheat used to create cake, pie, etc. While according to As Horby (1995) in Oxford Advanced Learner's Dictionary just said pastry: Paste of Flour, fat, etc. baked in an oven; pie crust.

Pastry is one of food and beverage department specifically productioncake, ice product, dessert, etc. bakery is special part from pastry to make various bread generally served after baked in oven.

Cafe

According to Ongkohadi (2014) café is small restaurant which serve or sell simple food and beverage, café generally used for relax's people. Operation from day to night (10.00-22.00) or

evening (18.00-22.00). Something principal in the café related to requirement is about enjoyment of people focusing on their needs.

Consumer Buying Decision

In this era, modern consumers are facing more complicated decision-making process, because there are too many options that can be taken. Ironically, consumers face a big problem not because of too little choice, but because of too much. This condition is called consumer hyperchoice, where conditions provide a large number of options to be taken that may seize the psychological energy to make a smart choice. This phenomenon makes consumer decision making process (See Figure 2) become more complicated. Kotler and Keller (2012) says that process to consumer buying decision can divided into 5 stage:

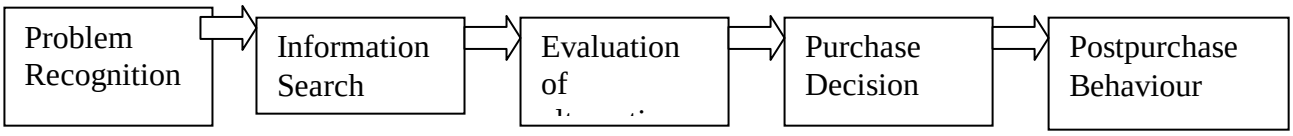

Figure 2. Stages in Consumer Decision Making
Source: Kotler and Keller (2012)

Problem recognition when buyer need. During the process of decision making, Marketing Mix can be the guidelines for user(s) in three stages: (2) information search, when user(s) gather information about Marketing Mix, (3) evaluation of alternatives, when user(s) evaluate and find appropriate products or services offered, and (4) product choice, when user(s) decide which products or services have to be taken or used. And postpurchase behavior when consumer feel satisfied or un satisfied. If satisfied will make to buy back, loyal and recommends to another person.

Marketing Mix (4P)

Lovelock (2011) defined Marketing Mix is represent theingredients required to create viable strategies for meeting customer needs profitably in acompetitive marketplace. Concept of marketing mix divide to 4P i.e Product, Price, Place, and Promotion. . For service marketing, marketing mix expand with 3P i.e People, Process, Physical Evidence.

Product

Product is everything that can be offered to market to noticed, owned, consumed for filled need. Product include accessories, quality product, idea. (Lovelock,2011). Product offered in patisserie i.e cake portion, whole cake, cookies, pudding, moose, chocolate praline, ice cream, etc. Product concept said that consumer like product that offer quality, performance, or physical innovative best (Kotler, 2009).

H_1: Consumer buying decision is partially insignificantly influenced by product.

Price

Price includes the determination of the price of offered to market based on quality products, segmentation and target market. (Lovelock,2011)/ While according to Kotler (2012) price is some of money paid for products or services, where the some of money or value issued consumer is a substitute for the benefit of possession or use product or service. Price is only variable marketing mix that produces sales income. The prices effective become main in the success financial. The purpose of prices which is create profit, closing costs, build demand, and develop the base users. (Lovelock,2011).

H_2: Consumer buying decision is partially insignificantly influenced by price

Place

Strategies place can increase opportunity in marketing product or service (Lovelock, 2011). After production product ready to marketed, determine product placement in distribution is step should be done. Good placement can increase product sales. Factors that must be thinking in distribution are consideration market, consideration product, consideration business and consideration distributor (Sangadji and Sopiah, 2012).

H_3: Consumer buying decision is partially insignificantly influenced by place

Promotion

Promotiom is variable used to tell and persuade the market about product or sevice. According to Lovelock (2011) promotionis activities to inform, call and reminded consumers either directly or indirectly of brand and product offered.

The forms of promotion are often encountered in the community according to Kotler and Keller (2009) referred to the marketing communication mix or marketing communication mix, which is comprised of eight main communication models, namely: (1) advertising, (2) sales promotion, (3) events and experiences, (4) public relations and publicity, (5) direct marketing, (6) interactive marketing, (7) word of mouth marketing, (8) personal selling.

H_4: Consumer buying decision is positively and partially significantly influenced by promotion, i.e. the higher the number of promotion, the higher the consumer buying decision.

People

People is all players had played a role in presentation of services and interact directly with consumer or buyer so that it can influence the perceptions buyers. (Lovelock,2011)

H_5: Consumer buying decision is partially insignificantly influenced by people

Process

Process is all actual procedures, mechanism, and the flow of activity used to convey services (Lovelock,2011).

H_6: Consumer buying decision is partially insignificantly influenced by process

Physical Evidence

Physical evidence according to physical tools is something significantly also influence consumer decision to buy and use the product and service offered. Variables of physical tools i.e physical environment, in this case building, equipments, supplies, logo, desaign and another atribute to physical evidence influence perception customers.

H_7: Consumer buying decision is positively and partially significantly influenced by physical evidence, i.e. the higher the number of physical evidence, the higher the consumer buying decision.

Influence of Marketing Mix (7P) in Consumer Buying Decision

By analizing marketing mix can know what consumer want and need and what business owner need. Marketing mix can help to increase profit and increase business. Marketing mix was considered good by the respondents. Based on respondents, purchase decisions are made to meet their needs. Marketing mix which consists of the location, pricing, product, promotion, and relationship simultaneously influence significantly to purchase decision, pricing partially dominant influence on purchasing decisions (Senjaya ,2014). A partial of product, price, service, location, store atmosphere significantly influence purchasing decisions and simultaneous retailing mix significantly influence purchasing decisions. (Dewiasih *et al* ,2014) . The factor analysed data showed seven quite distinct underlying factors in the marketing activities of these business schools, some covering the same elements of the traditional marketing mix: people, promotion, and price. There were, however, four different elements: programme, prominence, prospectus, and premiums. While the study does highlight the fact that

the traditional services marketing mix may not be as useful to the higher education sector as it might have been originally thought.(Ivy ,2008). Marketing mix is a set of marketing tools used by companies to continuously achieve their marketing goals. The marketing tools are classified into four groups namely known 4Ps: product, price, place, and promotion. The results showed that the variables of product, price and promotion has a significant correlation to the consumer buying decision on Blackberry smartphones. Meanwhile only variable products become a dominant variables related to consumer purchasing decisions. Thus it can be done by both companies marketing strategies in order to achieve sales targets and products in accordance with marketing objectives. (Hasan *et al* ,2014) . Marketing mix have a role and influence important for consumer buying decision. Marketing mix simultaneously influence significantly to consumer buying decision.Variable price and promotion partially significantly influencing consumer buying decision. (Shandy,2015). Marketing mix help business owner to planning, determine price, promotion and distribution product. Good planning produce good quality product. Marketing mix simultaneously influence significantly to consumer buying decision. Partially, product quality significantly influencing consumer buying decision. Edbert (2014). Kotler and Keller (2009) stated that the total marketing mix or marketing communication mix, which is used by companies to communicate persuasively, can create consumer value and building customer relationships.

H_8: Consumer buying decision is positively and simultaneously influence significantly by Marketing Mix (7P), i.e. the higher the use of effective Marketing Mix, the higher the consumer buying decision.

RESEARCH METHODS

Research Design

The study was founded on a comprehensive, quantitative field study, using causal connections between independent variables of Marketing Mix (7P) product-price-place-promotion-people-process-phycal evidence towards the dependent variables consumer buying decision. The consumers asked to be the respondents are also asked to write their opinions and preferences about their likes and dislikes of the pastry cake in the critics and suggestions section in the questionaire.

Samples

The study was carried out in Patisserie “The Harvest” in Malang City, is chosen to be the place for the research. There are 120 people found as the population, Using the Slovin formula to count the minimum sample should be taken in the research, with 10% error bound, the number of respondents taken is 55 respondents. The method used is non-probability sampling, quota sampling type.

Measures

The questionaire was designed in likert scale, with Marketing Mix (7P) product-price-place-promotion- people-process-phycal evidence as seven independent variables and consumer buying decision as the dependent variable. Each of the question has 4-point likert scale as the measurement of product, price, place, promotion, people, process, and phycal evidence over consumer buying decision. The Cronbach Alpha coefficient for product, price, place, promotion people, process, and phycal evidence over consumer buying decision were 0.875, 0.638, 0.907, 0.669, 0.894, 0.701, 0.793, and 0.693.

FINDINGS

Results among the entire research sample

Linear regression analysis was used to access the direct effect of product, price, place, promotion people, process, and phycal evidence on consumer buying decision to pastry cake. The linear regression results showed (See Table 1) that Marketing Mix (7P) as the independent variables accounted for 56.7 percent of the variation in consumer buying decision (R^2=0.567; Adjusted R^2=0.502, F=8.784, Sig.=0.000).

Table 1. Linear regression results

	Coefficients			
	B	Beta	t	Sig.
Constant	1.013		2.999	.004
Product (X_1)	.053	.073	.481	.633
Price (X_2)	-.015	-.027	-.235	.816
Place (X_3)	-.046	-.072	-.367	.715
Promotion (X_4)	.133	.209	1.909	.062
People (X_5)	.206	.143	1.439	.167
Process (X_6)	.127	.124	1.026	.310
Physical evidence (X_7)	.216	.088	2.456	.018
R	.753a			
R^2	.567		F	8.784
Adjusted R^2	.502		Sig.	.000

Source: Processed

Consumer buying decision was positively and insignificantly influenced by product (*B*=0.053, Beta=0.073, Sig.=0.633), people (*B*=0.206, Beta=0.143, Sig.=0.167) and process (*B*=0.127, Beta=0.124, Sig.=0.310). Consumer buying decision was insignificantly influenced by price (*B*=-0.015, Beta=-0.027, Sig.=0.816) and place (*B*=-0.046, Beta=-0.072, Sig.=0.715). Consumer buying decision was positively and significantly influenced by: physical evidence (*B*=0.216, Beta=0.088, Sig.=0.018) and promotion (*B*=0.133, Beta=0.209, Sig.=0.062).

As can be seen, consumer buying decision was positively influenced by all of the independent variables and marketing mix (7P) simultaneously influence significantly to consumer buying decision .Based on these findings, it can be determined that *H1* (product), *H2* (price), *H3* (place), *H4* (promotion) . H5 (people) , H6 (process), H7 (physical evidence) and *H8* (marketing mix 7P) were confirmed.

Tabel 2 Tabel Normalitas Result
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		55
Normal Parameters[a,b]	Mean	0E-7
	Std. Deviation	,19987044
Most Extreme Differences	Absolute	,084
	Positive	,084
	Negative	-,043
Kolmogorov-Smirnov Z		,624
Asymp. Sig. (2-tailed)		,831

a. Test distribution is Normal.
b. Calculated from data.

Sig. residual 0.831> 0.05, distribusi residual normal.

Tabel 3 Tabel Multikolinearitas Results
Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1,013	,338		2,999	,004		
	X1	,053	,110	,073	,481	,633	,399	2,509
	X2	-,015	,065	-,027	-,235	,815	,706	1,416
	X3	-,046	,127	-,072	-,367	,715	,239	4,178
	X4	,133	,070	,209	1,909	,062	,771	1,297
	X5	,206	,143	,334	1,439	,157	,171	5,834
	X6	,127	,124	,212	1,026	,310	,215	4,650
	X7	,216	,088	,287	2,456	,018	,672	1,487

a. Dependent Variable: Y

All independent variables having value VIF <10, can be concluded there is no effect multikolinearitas between independent variablles.

Tabel 4 Tabel Heterokedastisitas Result
Uji Heterokedastisitas
Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-,386	,147		-2,622	,012
	X1	,021	,048	,075	,444	,659
	X2	,033	,028	,149	1,165	,250
	X3	-,052	,055	-,205	-,935	,355
	X4	-,060	,030	-,241	-1,973	,054
	X5	,083	,062	,343	1,322	,193
	X6	,101	,054	,436	1,883	,066
	X7	,037	,038	,125	,955	,345

a. Dependent Variable: abresid

All independent variables sig> 0.05, can be concluded there is no effect heterokedastisitas between independent variables.

Tabel 5 Tabel Hasil Uji Autokorelasi
Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,753[a]	,567	,502	,21424	1,686

a. Predictors: (Constant), X7, X4, X3, X2, X1, X6, X5
b. Dependent Variable: Y

Tabel 6 Autokorelasi Scale

Durbin Watson	**Conclusion**
Less 1,08	Have autokorelasi
1,08 -1,65	No Conclusion
1,66-2,33	No autokorelasi
2,34-2,92	No Conclusion
More 2,92	Have autokorelasi

Source : Algifari (2000:89)

Value DW (*Durbin Watson*) was in 1,686, between 1,66 to 2,33 so it can be concluded that between residual no correlation or equation multiple linear regression in this research free autokorelasi.

Tabel 7 Tabel Linearitas Result Variabel X_1 and Y
ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Y * X1	Between Groups	(Combined)	2,386	9	,265	4,600	,000
		Linearity	1,496	1	1,496	25,951	,000
		Deviation from Linearity	,890	8	,111	1,931	,079
	Within Groups		2,593	45	,058		
	Total		4,979	54			

Sig. linearity 0.000 < 0.05, *deviation from linearity* 0.079 > 0.05, so relation between X_1 dan Y is LINEAR.

Tabel 8 Tabel Linearitas Result Variabel X_2 and Y
ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Y * X2	Between Groups	(Combined)	1,077	10	,108	1,215	,308
		Linearity	,068	1	,068	,771	,385
		Deviation from Linearity	1,009	9	,112	1,264	,283
	Within Groups		3,902	44	,089		
	Total		4,979	54			

Sig. linearity 0.385 > 0.05, *deviation from linearity* 0.283 > 0.05, so relation between X_2 dan Y is NOT LINEAR.

Tabel 9 Tabel Linearitas Result Variabel X_3 and Y
ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Y * X3	Between Groups	(Combined)	1,925	4	,481	7,879	,000
		Linearity	1,587	1	1,587	25,978	,000
		Deviation from Linearity	,338	3	,113	1,845	,151
	Within Groups		3,054	50	,061		
	Total		4,979	54			

Sig. linearity 0.000 < 0.05, *deviation from linearity* 0.151 > 0.05, so relation between X_3 dan Y is LINEAR

Tabel 10 Tabel Linearitas Result Variabel X_4 and Y
ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Y * X4	Between Groups	(Combined)	1,889	11	,172	2,390	,021
		Linearity	,777	1	,777	10,816	,002
		Deviation from Linearity	1,112	10	,111	1,548	,156
	Within Groups		3,090	43	,072		
	Total		4,979	54			

Sig. linearity 0.002 < 0.05, *deviation from linearity* 0.156 > 0.05, so relation between X_4 dan Y is LINEAR.

Tabel 11 Tabel Linearitas Result Variabel X_5 and Y
ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Y * X5	Between Groups	(Combined)	2,299	5	,460	8,409	,000
		Linearity	2,026	1	2,026	37,047	,000
		Deviation from Linearity	,273	4	,068	1,250	,302
	Within Groups		2,680	49	,055		
	Total		4,979	54			

Sig. linearity 0.000 < 0.05, *deviation from linearity* 0.302 > 0.05, so relation between X_5 dan Y is LINEAR.

Tabel 12 Tabel Linearitas Result Variabel X_6 and Y
ANOVA Table

			Sum of Squares	Df	Mean Square	F	Sig.
Y * X6	Between Groups	(Combined)	2,422	5	,484	9,282	,000
		Linearity	2,004	1	2,004	38,397	,000
		Deviation from Linearity	,418	4	,105	2,004	,109
	Within Groups		2,557	49	,052		
	Total		4,979	54			

Sig. linearity 0.000 < 0.05, *deviation from linearity* 0.109 > 0.05, so relation between X_6 dan Y is LINEAR.

Tabel 13 Tabel Linearitas Result Variabel X_7 and Y
ANOVA Table

			Sum of Squares	df	Mean Square	F	Sig.
Y * X7	Between Groups	(Combined)	1,567	4	,392	5,740	,001
		Linearity	1,188	1	1,188	17,412	,000
		Deviation from Linearity	,379	3	,126	1,850	,150
	Within Groups		3,412	50	,068		
	Total		4,979	54			

Sig. linearity 0.001 < 0.05, *deviation from linearity* 0.150 > 0.05, so relation between X_7 dan Y is LINEAR.

DISCUSSION AND IMPLICATION

Based on multiple regression analysis, the findings revealed that among the 7Ps tested, that is, product, price, place, promotion, people, process and physical evidence, the variable physical evidence partially dominant significantly influencing consumer buying decision to pastry cake. The variable promotion partially significantly influencing consumer buying decision to pastry cake but another variabel i.e product, price, place, people, process partially insignificantly influencing consumer buying decision to pastry cake. This finding thus corroborated with other studies of reference: about product (Shandy,2015) price (Edbert. *et al* ,2014), promotion (Sanjaya,2014), people and process (Shandy, 2015). In field research when collecting the questionnaire found that consumer buying decision tend to be encouranged with factor brand pastry cake already known and trusted in the eyes of consumer. Variable product partially insignificantly influencing consumer buying decision to pastry cake because pastry cake product less variations and need innovative. Variable price, place, people, process partially insignificantly influencing consumer buying decision to pastry cake because consumer buy pastry cake product to fulfill need their event. Pastry cake's consumer come to pastisserie when they need cake, choice cake instantly from display, tell to slice cake and take away to their event. In term of managerial implications, Patisserie have a good quality product and service but need add more item cake and follow the trend, keep and maintaining the quality of product and service, search strategies place, set operasional and financial as well as possible, make interesting event for promotion, joint with good pathner and make standart quality management. Patisserie should make adjustments by purchasing power of the community. Management team can joint with another company i.e bank or credit card company or cellular company so that existing promo increased with diskon and promotion, price more affordable. Event as halloween party can interest young people and christmas with santa claus can interest parent with children. Make price package for event so product sales will be increase. Patiserrie should more interactive on the internet. Training and meeting in management need to keep standart quality.

According to lovelock (2011) if customers are satisfied with service marketing, the consumers will be loyal so customers will buy repeatedly, even they will promote.

CONCLUSION

Marketing Mix (7P) affect and play an important role on patisserie consumer buying decision. Consumers very sensitive on the prices and expects to get more promotion with interesting event.. In term of managerial implications, add more item cake and follow the trend, keep and maintaining the quality of product and service, search strategies place, set operasional and financial as well as possible, make interesting event for promotion, joint with good pathner and make standart quality management. Patisserie should make adjustments by purchasing power of the community. Pastry cake business (patisserie) is a creative business. It needs entrepreneurial creativity and periodic control in its performance and service in order to fulfill the consumers' desires.

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