

**THE INFLUENCE OF MARKETING MIX TOWARD PURCHASE DECISION DONUT (STUDIES ON  
RESELLER'S DK DONUT COMPANY, CIMINDI, BANDUNG)**

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**Abstract.** *This research objective to know the marketing mix of DK Donut Company and the influence of marketing mix toward purchase decision donut. Variables that used are variable marketing mix and variable reseller purchase decision. Questionnaire was done toward 78 respondents that take randomly and be analyzing using SPSS. Researcher also had done observation on production place. The results of this research are DK Donut Company had set marketing mix (product, price, place, and promotion). In product variable, DK Donut Company had produced a product with brand DK Donut. DK Donut's reseller can use their brands and sell the product with reseller price. In price variable, DK Donut Company decided its product price based on competition based pricing (competitor's price). In place or distribution variable, DK Donut Company has some reseller who distribute company's product. DK Donut production place is not strategic so the location is not easy accessible reseller especially reseller by a car. In promotion variable, DK Donut had built billboards to promote the product and brands DK Donut to the reseller/consumer. Variable product and price gives positive influence toward purchase decision significantly. Recommendation to DK Donut Company to make the production place strategic by replace production place (by rent a shop store) which is accessible to all kind of reseller. DK Donut Company has to keep cleanliness production place and do some promotion program to get new reseller and maintain old reseller.*

**Keyword:** *marketing mix, reseller, purchase decision, DK Donut Company*

## Introduction

Bandung is known one of tourism destination, especially in the culinary field. Almost all type of food can be found in this city, ranging from main food until bread. Donut is one type of fried bread (Afdan, 2014) which has considerable market potential, almost all children and adults like this product (Dika, 2010). The amount of all children until adult with ages 5 to 45 years old (DEPKES RI, 2009) is about 1.686.950 (Central Bureau of Statistics of Bandung City, 2014).

DK Donut Company is one of a family business that produces donuts, located on Jl. Gunung Batu No. 20A, Cimindi, Bandung. DK is an abbreviation of the name of its founder "Dading Karyaana". This company is known as DK Donut. DK Donut established since mid-2008 as a pioneer of a donut factory in Bandung. Based on researcher experience as a reseller's DK Donut, researcher had done discussion with the owner of DK Donut and got a phenomenon about productivity of DK Donut. Besides that, the owner also shared about his company that his company had decreased in productivity in the two years. For more detail can be seen in the table 1 bellow:

Table 1 Data Productivity in Last Five Years of DK Donut

Year	Average per Day	Average per Month	Average per Year	Revenue	Difference	%
2011	600	18000	198000	2376000000	0	0

2012	700	21000	231000	2772000000	396000000	16.66667
2013	900	27000	297000	3564000000	792000000	28.57143
2014	500	15000	165000	2145000000	1419000000	-39.8148
2015	350	10500	115500	1617000000	-528000000	-24.6154

Source: Data from DK Donut Company

Since 2014 a decline in productivity of 39.81% followed by 24.61% in 2015. This fact is reinforced by the existence of two similar competitors in the same area. The decline in productivity of DK Donut allegedly because of its place is not strategic (the place not easy accessible by reseller and located on the end of narrow street), its price is not competitive (the price more expensive than its competitor price), there is no innovation products (variants of tastes less), and also its promotion is very simple (only use simple banner and word of mouth). This makes DK Donut need to improve marketing strategies through marketing mix. So researcher want to help DK Donut and decided DK Donut became the object of this research. Based on the above situation, researcher want knowing how far the marketing mix influence toward purchase decision of reseller's DK Donut Company. The objectives of this research are to know how the marketing mix for DK Donut, how the influence of marketing mix toward reseller purchase decision and gives some recommendation for DK Donut to increase its productivity.

## Literature Review

### Marketing Mix

Marketing is a social and managerial process and by which individuals and group obtain what they need and want through creating, offering, and freely exchanging product and service of value with other (Kotler, 2002). According to Kotler& Armstrong (1997: 48), marketing mix is the tactical marketing tool that can be controlled, product, price, distribution, and promotion of the combined company to produce the desired response in the target market. The company must manage marketing mix in order to accomplish the company's goals such as influence reseller's purchase decision (Bennet, 2012).

Marketing mix should always be dynamic, always able to adapt to internal and external environment. Competitor, technology, government regulations, economic conditions, and socio-cultural environment are the examples of external factor. While, marketing mix with 4p (product, price, place or distribution, and promotion) are the example of internal factor (rajapresentasi.com, 2009).

### Existing Condition of DK Donut

DK Donut is one of producer donut in Bandung which was built in the middle of 2008 as a pioneer for home industry scale. DK Donut is located at Jl. GunungBatu No 20A, Cimindi, Bandung. Today DK Donut still produces donut with seven employees and had maintained its business for almost 8 years.

*Product.* Product is a thing that can be offered to a market to get attention, buying, using or consume to satisfy a want or need (Kotler, 2012). Product is generally understood as the sales of goods and services to commercial. DK Donut offers its product to the reseller or consumer with standard variation of topping such as: nut, cheese, chocolate, sugar, messes, strawberry, and blueberry. DK Donut use box plastic to distribute its product (figure 1) which is contains one dozen per box. Standard composition contain 12 donut with some variety of topping: nuts, chocolate sprinkle, color chocolate sprinkle, strawberry with jam, cheese, sugar, chocolate dark with blueberry jam.



Figure 1. Standard Composition and Donut Ready to Distribute

#### *Price*

Price is the amount of money charged for a product or service (Kotler, 2012). More broadly, price is the total amount that being exchange by the consumer to obtain a benefit of the product or service owning. Price is the amount of money and or goods needed to acquire some combination of another companying its goods and services (Stanton, 2011). There are some approaches to set price the product. First approach is price based on cost. It contains two types: cost plus pricing and break even analysis (target profit pricing). Cost plus Pricing is the simplest price, where is to add a standard mark-up on the cost of product. While Break Even Analysis (Target Profit Pricing) is a method of the company to establish whether the price will break even or make a profit target to be searched (rajapresentasi.com, 2009).

Second approach is price based on value; define as a method use the perception of the value of the purchaser (instead of cost of sales) for setting a price. Third approach is price based on competition. It contains two types: price based on prevailing prices and price sealed bid. Price based on prevailing price is defined price based on competitors' prices and less attention to costs and demand. The company may charge the same price, higher or lower and its main competitors. While price sealed bid is establishes a competitor and not based on a rigid relationship above the cost or the company's request (rajapresentasi.com, 2009). DK Donut decides price based on prevailing price. It means the company decides its price on competitors' prices and less attention to costs and demand. DK Donut, Mentary Donut and DonutQu had set price per dozen is Rp 14.000 to standards composition.

#### *Place or Distribution*

Place or distribution is the various the company undertakes to make the product accessible and available to target customer. Many activity held by the company to make their product is easily to obtain and available for the targeted consumer (Kotler, 2012). As one of the variables of the marketing mix, place or distribution has a very important role in helping companies ensure their products, because the purpose of the distribution is to provide goods and services needed and desired by the consumer at the right time and place. It's supported by a study at Chatuchak Plaza Market which is concluded that the elements of marketing mix especially places influence on the frequency of consumer purchase decision (Pungnirund, 2013). Strategic place influence the consumer purchase decision significantly at Sogo Department Store Medan (Muhammad, 2008).

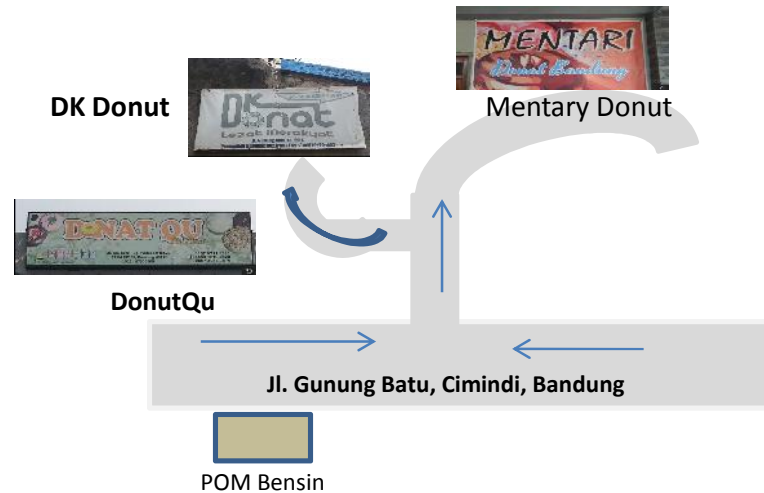


Figure 2. Sketch of DK Donut and Its Competitor Place

From figure 2 above, DK Donut location is close to its competitors: Mentary Donut and DonutQu. They are two competitors that built factory in the same area with DK Donut, Mentary Donut was built at 2010 and DonutQu was built at 2011. The owner of Mentary Donut and DonutQu is close family to the owner DK Donut. Besides that, DK Donut location is not strategic and not easy accessible by the reseller because narrow path. DK Donut also doesn't have large parking area. When new reseller or new consumer will purchase donut, they will find its competitor firstly. DK Donut has some reseller who distribute DK Donut's product. In this business, reseller plays as distribution channel which is consist of three type reseller: reseller with a car, reseller with motorcycle, and reseller walk. DK Donut location is not easy accessible reseller by a car, can be access reseller by motorcycle and reseller by walk. While Mentary Donut easy to access by three kind resellers. There is large parking area beside the factory. DonutQu location also access by all kind reseller than DK Donut location.

*Promotion*

Promotion is all the activities of the company undertake to communicate and promote its products to the target market(Kotler, 2012). Promotion mix is the combination of the operational selling, sales person, and public relation(Stanton, 2011). According to Philip Kotler promotion tools have four types: advertising, personal selling, sales promotion, and public relation. Advertising is a promotion of goods or services carried out by a non-personal nature known sponsors. Personal selling is individual sales made by people who try and persuade to make the sale as well. Sales promotion is an activity intended to help get consumers who are willing to buy the products or services of a company. While public relation is an indirect advertising is activities where a company's products or services distributed by the communications media. DK donut and its competitor use banner or billboards to promote their business. They show their brands, slogan, address, contact person, and photo of product. For each billboard can be seen at figure bellow:



Figure 3 Banner of DK Donut Company



Figure 4 Billboard of DonutQu Company



Figure 5 Billboards of Mentary Donut Company

### **Reseller Purchase Decision**

Reseller is a company or individual who purchases goods or services with the intention of selling them rather than consuming or using them (Ralf Meyer, 2010). DK Donut's reseller is a company or individual who purchase a product at DK Donut for resale to the end consumer. Purchasing decision is an integration process which is knowledge combined to evaluate two or more alternative and select the best alternative. Purchase decision process describes the process reseller goes through before they buy the product. Reseller past the process of purchasing which are: problem recognition, information search, evaluation the alternative, purchase decision and post purchase behavior(Blackwell, 2006).

#### *Problem Recognition*

This is often identified as the first and most important step in the reseller decision process. A purchase cannot take place without the recognition of the need. The need may have been triggered by internal stimuli (such as hunger or thirst) or external stimuli (such as advertising or word of mouth) (Johnston, 2013).

#### *Information Search*

Having recognized a problem or need, the next step a reseller may take is the information search stage, in order to find out what they feel is the best solution. Reseller will identify and evaluate information sources related before they purchase decision. Reseller gets information from print, visual, online media or word of mouth (Johnston, 2013).

#### *Evaluation the Alternative*

Reseller will evaluate different products or brands at this stage on the basis of alternative product attributes. Reseller's attitude and involvement is a factor that heavily influences in this stage. For example, if reseller's attitude is positive and involvement is high, they will evaluate a number of companies or brands; but if it is low, only one company or brand will be evaluated (Johnston, 2013).

#### *Purchase Decision*

Purchase decision may be 'disrupted' by two factors: negative feedback from other consumer and the level of motivation to accept the feedback (Kotler, 2009). For example, having gone through the previous three stages, a reseller chooses to brand A. However, because his very good friend, other reseller gives him negative feedback, he will then be bound to change his preference. Furthermore, the decision may be disrupted due to unforeseen situations such as a sudden job loss or relocation (Johnston, 2013).

#### *Post Purchase Decision*

In brief, reseller will compare products with their previous expectations and will be either satisfied or dissatisfied. Therefore, these stages are critical in retaining resellers. This can greatly affect the decision process for similar purchases from the same company in the future, having a knock-on effect at the information search stage and evaluation of alternatives stage. If reseller is satisfied, this will result in brand loyalty, and the information search and evaluation of alternative stages will often be fast-tracked or skipped altogether (Johnston, 2013).

On the basis of being either satisfied or dissatisfied, it is common for resellers to distribute their positive or negative feedback about the product. This may be through reviews on website, social media networks or word of mouth. Companies should be very careful to create positive post-purchase

communication, in order to engage resellers and make the process as efficient as possible (Johnston, 2013).

### Other Research

Some researcher who research the influence of marketing mix toward consumer purchase decision. The marketing mix influence consumer purchase decision significantly at the Beauty Clinic Tata in Surabaya. Researcher recommended the company to increase product quality and quality of services provided to its consumer (Radix, 2010). The elements of marketing mix (especially variable product, price, places) influence on the frequency of consumer purchase at Chatuchak Plaza Market. The elements of marketing mix: price, place, and product had the correlation coefficient of 0.921, 0.949, and 0.591 respectively. These three variables could predict the frequency that consumers prefer to shop for every three months (Pungnirund, 2013).

The main reasons for choosing Chatuchak plaza market included convenient location for travel and often come to purchase by themselves. The management of Chatuchak plaza market should consider things such as the correctness of checking the merchandise, the insurance or warranty of the product and the quality of product delivery, enhancing the physical environment such as the cleanliness of the market, the proper light, the space for parking to attract more customers (Pungnirund, 2013).

### Method

#### Research Design

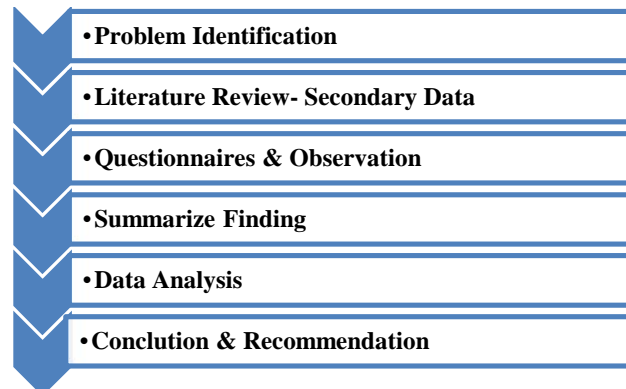


Figure 6. Research Design Process

In problem identification the researcher got some information from the owner of DK Donut that the productivity of his company decreased in last two years. In literature review, researcher used some journal, paper, and article to get secondary data. In questionnaire and observation, to get primary data, researcher spread questionnaire from 78 respondents in mall Cimahi, Salman ITB, and Cimahi Market and done observation to production place. Researcher had design questionnaire to get a quantitative data and designed some variable such as product variable, price variable, and reseller purchase decision variable. In summarize finding researcher recapitulated in Microsoft Excel to gain the preliminary results. In data analysis researcher analyzed the data using SPSS. It is in order to find the relation of each variable. In conclusion & recommendation researcher conclude and gives some recommendation to DK Donut.

### Population

The respondents' population of this research is people who had eaten DK Donut product from direct selling reseller/channel. DK Donut company has about three direct reseller, they usually can sell about 55 box (contain 12 donut) to end consumer. The end consumers usually buy two donuts minimally. Researcher predicts the population is about 330 consumers who purchase to the direct reseller in a day. So, researcher determines the population is about 330 respondents.

### Sampling

To get amount of sample, researcher use Slovin formula. (Priatna, 2009)

Slovin Formula

$$n = \frac{N}{1+N\alpha^2} \dots \dots \dots (\text{Equation 1})$$

- Where: n = amount of sample  
 N = amount of population  
 α = signification degree (use 0.10)

After calculated using Slovin Formula (Equation 1), researcher got 78 samples with signification degree 10 % and amount of population 330 respondents.

### Data Measurement

Data was measured with ordinal and five-point likert scale to investigate the level of agreement, importance, attractiveness, and interest and satisfaction with meal 1 = lowest negative assessment to 5 = highest positive assessment (Risnita, 2012). For example is to measure the taste of product:

- 1 = very not delicious    2 = not delicious    3 = neutral    4 = delicious    5 = very delicious

### Framework

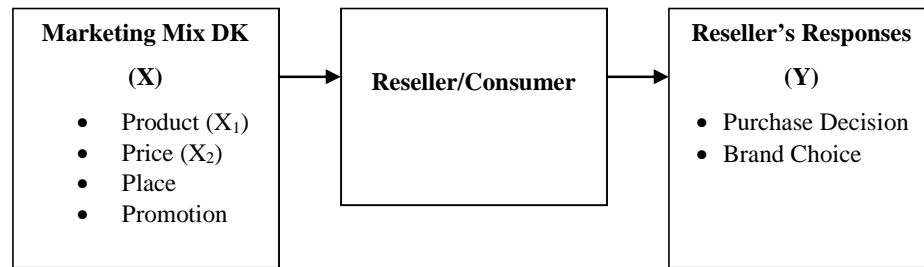


Figure 3.2.6 Reseller/Consumer Purchase Decision Process  
 Source: Kotler, P., Marketing Management, 11th edition, Prentice-Hall India

Based on the figure 3.2.6 above, DK Donut had set marketing mix (X) which is contains four variables: product, price, place, and promotion. Before reseller/consumer purchase DK Donut's product, they will consider DK Donut's offer such as about product, price, place and promotion. Consumer will purchase product or services in order to satisfy their needs and wants (Kotler, 2011). In this research, researcher wants to know the influence of variable product and variable price to reseller/consumer purchase decision. While, variable place and variable distribution, researcher done observation to the company condition.

### Hypothesis

From above framework, researcher made some hypothesis below:

- Ho : Marketing mix variable (product and price) of DK Donut Company influence purchase decision  
 H<sub>1</sub> : Marketing mix variable (product and price) of DK Donut Company don't influence purchase decision.

### Operational Variables

Based on above hypothesis, researcher decided operational variable. Operational variable described all variables of the question in questionnaire. The variable that will be measured is variable Y (purchase decision) as independent variable and variable X<sub>1</sub> (product), X<sub>2</sub> (price) as dependent variable.

Table 2. Operational Variable X

Dimension	Concept	Indicator	Scale
Product (X <sub>1</sub> )	A product is a thing that can be offered to a market to satisfy a want or need. (Kotler, 2012) Consumer purchasing decision influenced by product factor such as taste, quality, variety topping, innovation new product, and healthy.	- Level of tastes uniqueness - Level of cleanliness production place - Level of material quality used - Level of variety of topping - Level of product innovation	5 point Likert Scale
Price (X <sub>2</sub> )	Price is the amount of money charged for a product or service. (Kotler, 2012)	- Level of achievable price - Level of value than money purchase	5 point Likert Scale

Table 3. Operational Variable Y

Dimension	Concept	Indicator	Scale
Purchase Decision (Y)	Purchasing decision is define as the result of choosing the alternative process and get the best alternative.	- Level of searching information - Level of preference than other donut - Level of purchase timing - Level of repeat purchase	5 point Likert Scale

### Analysis Data

#### DK Donut Improvement

Based on observation and questionnaire analysis, DK Donut has to do some improvement on marketing mix in order to increase revenue and productivity. DK Donut should setting element of marketing mix started from place or distribution, price, promotion and product.

#### *Place or Distribution*

Production place of DK Donut is not strategic because there are two competitors who built same factory in the same area. When new reseller or new consumer will purchase donut in this area, they will find Mentary Donut firstly, after that DonutQu than DK Donut. Besides that, DK Donut place is not easy accessible by the reseller, especially reseller who using a car because of narrow path and there is not large parking area. DK Donut should change production place to shop house which is rent for 2 until 3 years. The shop house has to have some criteria: strategic, easy accessible for all type reseller, has large parking area. Researcher recommends the new production place such as figure 7 because the shop house is strategic, easy accessible and also has large parking area. Besides that the place larger than old place, it will support the increasing of productivity.

After rent the place, DK Donut started to modify the place accordance with design and researcher input. Researcher give some recommend for new production place such as: provide comfortable waiting room, free-Wi-Fi, use big watt lamp for lighting, provide free drink such as coffee, provide free donut, television, and books so the reseller feel comfortable when they waiting their box filled. Besides that, DK Donut should make the production place meet health standards and use hygienic production equipment. DK Donut should consider placement of warehouses, mixer, dough divider,



rack developer (fermentation rack), fryers, rack cooling, add topping, and serving donuts so it will increase efficiency production process.

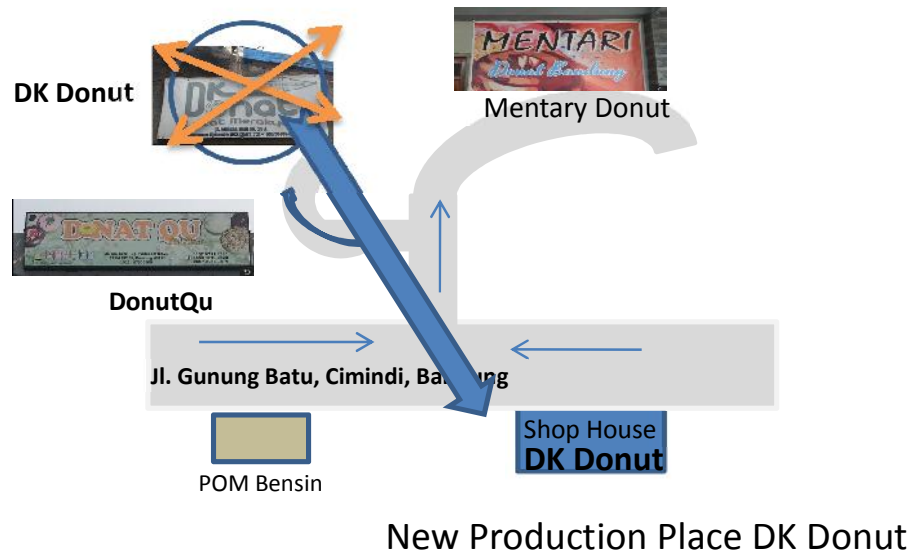


Figure .7 New Production Place DK Donut

Before the new production place ready operate, DK Donut can use the old production place. DK Donut must tell to their reseller that the production place will be change and give direction of the new production place. After the new production place ready operated, all reseller can take the product at the new production place. Besides improve the place variable, DK Donut also has to improve the other variable (price, promotion and product).

#### Price

DK Donut decides price based on competition. DK Donut should change the approach when decided pricing. DK Donut should decides price consider to the cost and demand. To get more reseller or consumer, DK Donut can decided the product more cheap that its competitor. When competitor set price 14.000 per dozen, DK Donut can set may be 13.500 and it will decrease its profit, so DK Donut has to implement the strategy to increase the amount of production.

#### Promotion

DK Donut also should improve promotion such as changing banner with new eye catching billboards to get attention new reseller or new consumers. DK Donut can shows the benefit when reseller or consumer purchase donut at DK Donut. The benefit such as: cheaper, healthier, discount, fast service, Halal MUI, BPOM RI, etc. For example: buy 20 dozen, get one dozen, buy 10 dozen, get free coffee, or give merchandise each three month to all reseller who always purchased at DK Donut. Besides that, DK Donut can publish the company using website or blog to introduce the company and its product.

#### Product

May be promotion not enough, DK Donut should improve its product. DK Donut should increase the product taste by doing some experiment. It means DK Donut should innovates its product taste (the variant of topping more diverse), its product more durable, its product size bigger, and always use quality material to produce its product. DK Donut can add some variant of topping such as: tiramisu, almond, raisins, durian, grapes and coffee; decoration on topping such as: floral, spiders, animals, leaves, etc. to make its product more beautiful. To make product more durable and remain soft, DK Donut should use dry yeast, such as: brand *saf instant*. The use of yeast *fermipan* result sodden and soft if just the beginning of the cooking course, the next day the donuts will harden. Dry yeast (*saf*

instant) can be directly mixed with flour when dried (buatresep.blogspot.com, 2015). Besides that, DK Donut also must keep cleanliness production place to create hygienic and quality products.

**Overview of Respondent**

*Demographic*

From table 4 bellow, show that the majority of respondents were female than male, most of them have age between 26 until 30 years old with income 2 until 3 million per month. It means the respondents are mother who had children and like bread. Besides that, most of them had graduated from high school and lives in Cimahi.

Table 4. Summary Demographic of Respondents

		Amount	%
Area	Cimahi	44	56.41
	Cimindi	14	17.95
	Bandung	20	25.64
Gender	Male	33	42.31
	Female	45	57.69
Age	< 20	7	8.97
	20 - 25	30	38.46
	26 - 30	36	46.15
	31 - 35	5	6.41
	> 36	0	0
Income	< 1 jt	6	7.69
	1 - 2 jt	16	20.51
	2 - 3 jt	49	62.82
	3 - 4 jt	7	8.97
	> 4 jt	0	0
Education	SD	3	3.85
	SMP	13	16.67
	SMA	48	61.54
	S1	14	17.95
	S2/S3	0	0

*The Assessment of Product (X<sub>1</sub>) Dimensions*

Based on the table 5 bellow, show that 77.44% respondent express the taste of DK Donut is delicious. It is supported by 71.28% respondents express that the taste of DK donut more delicious than other donut. While 91.79% respondents believe the quality material used and 92.05% respondents also believe the cleanliness production place. Besides that, 72.05% respondent express that the variety of topping is much and 77.44% respondents express about product innovation is good.

Table 5. Respondents' Assessment of Product (X<sub>1</sub>) Dimensions

No	Questions	1	2	3	4	5	Sum	Empiric Score	Max Score	%
1	What your opinion about the taste of DK donut?	0	0	28	32	18	78	302	390	77.44
2	What your opinion about the taste if	0	28	0	28	22	78	278	390	71.28

	compare with other donut									
3	What your opinion about the quality material that used	0	0	1	30	47	78	358	390	91.79
4	What your opinion about the cleanliness of production place	0	0	0	31	47	78	359	390	92.05
5	What your opinion about the variety of topping	0	11	23	30	14	78	281	390	72.05
6	What your opinion about product innovation	0	4	19	38	17	78	302	390	77.44
	Total	0	43	71	189	165	468	1880	2340	80.34

DK Donut has keep cleanliness production place and always use standard material to produce its product. DK Donut also has to increase the variety of topping and do some innovation to increase product variation and tastes.

*The Assessment of Price Variable (X<sub>2</sub>) Dimension*

Table 6. Respondents' Assessment of Price (X<sub>2</sub>) Dimensions

No	Questions	1	2	3	4	5	Sum	Empiric Score	Max Score	%
1	What your opinion about the price of DK donut?	0	7	10	40	21	78	309	390	79.2
2	What your opinion about the value that you got than the money that you pay?	0	7	31	40	0	78	267	390	68.5
	Total	0	14	41	80	21	156	576	780	73.8

Based on the table 4.2.3 above, 79.2% respondent express that the DK donut price is achievable and 68.5% respondent express that the value got is equal with the money which was purchased. It means that the price of DK Donut product is achievable to the consumer. Besides that, DK donut also has to increase the value of the product trough build brands.

The Assessment of Purchase Decision (Y) Dimensions

Table 7. Respondents' Assessment of Purchase Decision (Y) Dimensions

No	Questions	1	2	3	4	5	Sum	Empiric Score	Max Score	%
1	Do you search the information about DK Donut before purchase	59	19	0	0	0	78	97	390	24.9
2	Do you agree to choose DK Donut than other donut	0	7	31	40	0	78	267	390	68.5
3	Will you buy DK donut again	0	7	31	40	0	78	267	390	68.5
4	How many times you buy DK donut in a month	37	1	40	0	0	78	159	390	40.8
	Total	96	34	102	80	0	312	790	1560	50.6

Based on table 7 above, 24.9% respondent was searched information about the product. It means that donut had been familiar and consumed daily. 68.5% respondent express that they will choose DK donuts and will purchase again. It means that the DK donut product is good. Besides that, 40.8% respondent purchased DK donut product averages three times in a month. From the data show that DK Donut had been one of type bread which is chosen by the consumer. Besides that, the company also has to increase repeat purchase their consumer.

Validity & Reliability Test

Table 8. Result of Validity and Reliability By Excel

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12
r <sub>xy</sub>	0.802	0.844	0.662	0.677	0.183	0.228	0.710	0.944	0.473	0.944	0.944	0.941
o <sup>2</sup> <sub>i</sub>	0.581	1.548	0.271	0.243	0.892	0.659	0.765	0.429	0.187	0.429	0.429	0.999
E <sub>o<sup>2</sup><sub>i</sub></sub>	7.430											
o <sup>2</sup> <sub>t</sub>	39.902											
r <sub>11</sub>	0.824											

Based on table 8 above, show all of questions are valid. Because of the value of coefficient correlation is positive. It indicates that the all question can be used to gather the data in this study (Arikunto, 2012:89). The value of coefficient reliability is high, so the questionnaire is reliable to spread to the respondent (Ruseffendi, 2005:160).

The Result of SPSS

Multiple Linier Regressions

Table 9 Multiple Linier Regression Coefficients

Coefficients								
Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta				Tolerance	VIF
1 (Constant)	-1.446	.241			-5.991	.000		
Product	.506	.074	.400		6.830	.000	.648	1.543
Price	.527	.050	.617		10.533	.000	.648	1.543

a. Dependent Variable: Purchasing Decision

Based on the table 4.4.1 above, multiple linear regression equation obtained in this study are:

$$Y = a + b_1X_1 + b_2X_2$$

$$Y = 0.506 X_1 + 0.527 X_2 - 1.446$$

Based on the above equation regression coefficient (b) is positive for the variables  $X_1$  and  $X_2$  are positive. It means each independent variable  $X_1$  (Product) and  $X_2$  (Price) to give effect to the dependent variable Y (Purchase Decision).

1. The independent variable Product ( $X_1$ ) positive influence and direction to purchase (Y) with the coefficient value of 0.506 indicates that each attribute in Product ( $X_1$ ) increased by 1%, then the decision to buy DK Donut product also will increase by 0.506%.
2. The independent variable Price ( $X_2$ ) has positive influence and direction to purchase (Y) with the coefficient value of 0.527 indicating that if each attribute on the price ( $X_2$ ) increased by 1%, then the decision to buy DK Donut product will also be increased by 0.527%. In other words every increase in the purchase decision DK Donut product needed improvement price ( $X_2$ ).

*The Result of F Test*

Tests conducted simultaneously with the F test statistic simultaneous testing is intended to look at the influence of the independent variables together on the dependent variable. Tests carried out for this hypothesis is the F test hypotheses to be tested are:

Ho:  $\beta_1 = \beta_2 = 0$  means Marketing mix variable (product and price) of DK Donut Company influence purchase decision

H1:  $\beta_1 = \beta_2 = 0$  means Marketing mix variable (product and price) of DK Donut Company don't influence purchase decision.

The decision on the above hypothesis by comparing the value of p (sig) with  $\alpha$  (alpha) which has been established in this study is at 0.1 or 10%. Ho criteria of the test is rejected if the p-value (sig) <  $\alpha$  (alpha) and vice versa.

Table 10 F Test & Anova Result from SPSS

**F Test Result  
Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.913 <sup>a</sup>	.833	.829	.25847

a. Predictors: (Constant), Price, Product

b. Dependent Variable: Purchasing Decision

**ANOVA<sup>b</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.F
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**F Test Result  
Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.913 <sup>a</sup>	.833	.829	.25847		
1	Regression	25.034	2	12.517	187.369	.000 <sup>a</sup>
	Residual	5.010	75	.067		
	Total	30.045	77			

a. Predictors: (Constant), Price, Product

b. Dependent Variable: Purchasing Decision

Based on the table 4.4.2 above, explained that the value of correlation (R), and the coefficient of determination (R<sup>2</sup>). The correlation coefficient of 0.913 indicates a strong relationship between the independent variables and the dependent variable and the coefficient of determination of 0.833 indicates that the variable product and price influence purchasing decisions by 83.3 %. Hypothesis testing overall (simultaneously) performed by test F test statistic through Anova test, with the provision that if the probability of F count < value probability table then Ho accepted and Ha rejected and vice versa. Therefore sig F < alpha, so Ho accepted. Accepted means variable product (X<sub>1</sub>) and price (X<sub>2</sub>) has influence on purchase decisions (Y) significantly. Results of this study explained that marketing mix (variable product and variable price) influence toward purchase decision.

**Conclusion and Recommendation**

**Conclusion**

After analyzed the data, researcher conclude bellow:

1. DK Donut had set marketing mix variable (variable product, price, place, and promotion) in order to influence reseller purchase decision.
2. In variable product, DK Donut Company produces a product with brand DK Donut. DK Donut's reseller can use their brands and sell the product with reseller price.
3. In variable price, DK Donut Company decided its product price based on Competition Based Pricing (Going-Rate Pricing). The company decides its price on competitors' prices and less attention to costs and demand.
4. In variable place or distribution, DK Donut Company use reseller as distribution channel to distribute their product. DK Donut production place is not strategic so the location is not easy accessible reseller by a car, but still can be access reseller by motorcycle and reseller by walk.
5. In promotion variable, DK Donut had build billboards to promote the product and brands DK Donut to the reseller/consumer.
6. Variable product gives positive influence toward purchase decision significantly. Each variable product increase 1%, influence increasing 0.506% in purchase decision variable.
7. Variable price gives positive influence toward purchase decision significantly. Each variable price increase 1%, influence increasing 0.527% in purchase decision variable.

**Recommendation**

Some recommendation for DK Donut Company in order to increase DK Donut's productivity:

1. DK Donut should choose strategic production place. DK Donut can move production location which is easy accessible to all kind of resellers. DK Donut can rent a place or shop house to produce the product. The place criteria are accessible to all kind of reseller, have large parking area, have comfortable waiting room, and cleanliness production place.
2. DK Donut has to promote its benefit by gives special offers to all resellers who purchase donut at Cimindi, Bandung. DK Donut can give discount or setting price lower than its

competitor and make eye catching billboards to get attention new reseller or new consumers.

3. DK Donut has to maintain resellers who always purchase donut at DK Donut Company.
4. DK Donut Company should increase the product taste with using standard materials and keep cleanliness production place.
5. DK Donut Company has to increase the variety of topping which is wanted by reseller. Besides that, DK Donut Company has to always innovate the product and increase efficiency in production process.

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