

Marketing Mix Strategy and Consumer Intention to Buy (Empirical Study on Retail Store at Manado City)

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ABSTRACT

Retail store at Manado city from year 1990 to 2017 facing fascinating development. The competition between them obviously forced to make excellent strategy. Cutting price, interesting layout, excellent and unique services are the examples of marketing strategy could conduct by retail store. The successful retail store has to fulfill the need of consumer such as served with high quality product, compete price, services and other promotion. Meanwhile, location and another facilities retail store has also to be aware. Unsatisfied consumer will make negative effect on moving consumer to other store who served better services. If the situation continues the store will facing decreasing sales and profit. Hence, to prevent that loss, retail store has to create loyal consumer.

This research tried to examine marketing mix on consumer intention to buy at Alfa Mart at Manado City. The analysis data used path analysis. The respondent is Alfa mart consumer, reached by accidental sampling. The number of samples is 161 data. The result of study was all the marketing mix variable such as product, price, place and promotion significant influenced on consumer intention to buy.

Keywords: marketing mix, competition, intention to buy, retail store, Alfa Mart.

INTRODUCTION

In the condition of the economic system three main activities can be found, namely; production, distribution, consumption of goods and services. Distribution is an activity that functions to deliver goods from producers to consumers. In distribution activities there are a number of intermediaries such as agents, wholesalers, and retailers. Retailers are often referred to as retailers, namely institutions that are tasked with distributing goods and services to end consumers.

The retail trade or retail business sectors in developing countries such as Indonesia have made business involving a large number of goods, money and employment opportunities. Both retail and wholesale trade have a significant share in Indonesia's economic development. The retail trade sector needs to continue to be developed in an effort to absorb labor and income sector revenues. The trade that was developed did not only involve traditional retailers but also modern traders such as self-service retailers.

The development of supermarkets in the city of Manado from 1990 to 2017 seemed increasingly rapid. Based on data from the trading office, there are a number of supermarket units, among others, Golden, Family, Supermarket Jumbo, Coco, Fiesta Ria, Fresh Mart, Hypermart, Gelael Grande, Multi Mart, Grand Giant Trans Mart, Indomaret, Alfamaret, etc.

Competition between supermarkets is increasingly apparent, such as competing in the pricing of goods, discounts, attractive layout arrangements, services by salespeople and others. Self-service retailers who want to succeed must certainly meet the needs of consumers' needs regarding the quality of goods, prices, services, various kinds of goods and promotions. In addition, it must also pay attention to the location and supporting facilities. If these elements cannot be met, consumers will feel dissatisfied which will result in consumers moving around in shopping. If this continues, over time the supermarket will experience a setback. Therefore, supermarkets need to create high trust and loyalty from consumers so that they always shop.

LITERATURE REVIEW

Marketing Mix

In general, retail sales include all activities that involve the sale of goods and services directly to end consumers for personal and non-business use (Kotler, 2003: 563). One form of retailer that has a modern shop and operations is a supermarket. Self-service retailers in carrying out retail sales activities cannot be separated from marketing issues. This is because marketing is a process that serves to meet buyers and sellers.

The marketing concept states that the key to achieving organizational goals consists of determining the needs and desires of the target market and providing desired satisfaction effectively and efficiently than rivals (Kotler 2003: 19). The marketing strategy that is implemented becomes the basis for increasing customer satisfaction for that the company must be able to carry out a suitable and appropriate strategy in order to attract and retain customers and be able to compete with other companies.

Thus the marketing strategy carried out by retailers consists of products and services, prices, promotions and distribution. Distribution consists of location variables, and store environment. Everything must be involved in an effort to give satisfaction to the customer.

Products are the main element in the marketing mix, and play a significant role in creating customer satisfaction. The success or failure of supermarkets is very dependent on the products or goods that consumers want. The seller must offer a product that will meet the needs and desires of the buyers. The seller must provide it if the buyer wants the price the buyer is willing to pay. According to Kotler (2000: 272) that the variety of retailer products must be in accordance with the expectations of the target market. This is a key element in competition with similar retailers. The other dimension is product quality and this becomes an attractive element for customers.

In the product strategy also includes the problem of services provided to consumers, because service is a sub support of marketing. Service is very closely related to customer satisfaction. If the service in marketing activities is ignored, it can lead to dissatisfaction on the part of customers and this will obviously harm the producers and sellers. Therefore, every supermarket will provide the best service to customers, for example returning goods purchased when damaged, salespeople always appear friendly, polite and attractive. Likewise, strategic facilities, ease of goods collection, surrender, credit and goods service are all considerations that affect the store's image (Engel 1995: 263). By providing services like that, consumers are expected to be satisfied and always interested in shopping at the shop.

Price is a pretty important factor for buyers. Most buyers will find cheap prices, so buyers will choose shops that sell cheaper items. To attract buyers, self-service retailers often carry out price wars. For certain people prices are the most important factor in making these choices. It is important for retailers to keep prices equal to other retailers, so that they can maintain their position in competition. Even to get a reputation for cheap prices, prices are set below the prices of other competitors (Bukhari Alma, 1992: 84). Thus, if the price offered is lower than its competitors, consumers will switch to the cheaper store.

Another factor affecting customers is promotion. Promotion is all the means used to increase sales volume. Promotion aims to influence consumers both directly and indirectly in hopes of willing to make a purchase. Promotion can be done through sales promotion, personal selling, advertising and publicity. Promotional messages can be done with TV ads, radio, newspapers, magazines, internet and others. Bukhari Alma (2002: 140) states that sales promotion can introduce products to the public and can attract new consumers and increase sales volume. To increase sales volume and the number of consumers who shop and satisfy it, supermarkets must carry out the right promotion strategy.

The last marketing strategy is distribution. Distribution is the task of moving goods from producer to consumer. For the smooth running of the task there are several intermediary bodies involved in the distribution channels such as wholesalers, contractors, agents, and retail traders. Retailers in the supply of merchandise to be sold to consumers can be obtained through wholesalers (suppliers) or directly from producers. The wholesaler acts as an intermediary body in the supply of goods to self-service retailers.

Schoell (1995: 364) says that in the distribution of location factors and store environment is an important factor that must get attention in attracting and satisfying consumers. The store environment in supermarkets greatly determines the attractiveness of the customers of most buyers in supermarkets in determining their purchasing decisions are largely determined by the store environment factor. Store environment such as parking lots, restrooms, and lay out, this aspect has its own value for customers. If the store environment is less attractive, consumers will not have the enthusiasm to shop at the store but will reach other stores. In a study conducted by Engel (1995) concluded that 61% of shoppers said the convenience of parking and 52.8 shoppers said that fast payment times would affect their decisions where they want to shop.

CONSUMER INTENTION

Furthermore, according to Engel (2000), consumer behavior is an action that is directly involved in obtaining, consuming, and consuming products, including the process of decisions that precede and follow action. This is similar to what was stated by Kotler (2009) that the field of consumer behavior science is a study of individuals, groups or organizations and the processes carried out in selecting, determining, obtaining, using and stopping the use of products, services, experiences, or ideas to satisfying the needs, and the impact of the process on consumers and society.

Kotler further argues that factors that can influence consumer buying interest are: 1) Cultural factors: culture, sub-culture and social class, 2) Social factors: reference group, family, roles and status), 3) Personal factors: age and the stages of the life cycle, work, economic conditions, lifestyle, personality and self-concept, 4) Psychological factors: motivation, perception, knowledge, beliefs and attitudes.

RESEARCH METHOD

Measurement

Definition operational marketing mix include marketing mix variable. The indicator of its variable are :

1. Product (include service)
2. Price
3. Promotion
4. Distribution

While the dependent variable (variable Y) is consumer interest in shopping. This variable is used to measure and analyze the effectiveness of the marketing mix strategy implemented by the supermarket in Manado city. Variables are described in subvariables complete with concepts, indicators, benchmarks and scale, namely consumer expectations and levels of customer satisfaction, to obtain, consume products, process decisions.

Research Sample

The target population of this study was all self-service visitors / customers at Alfamart, Indomareat and transmart store at Manado city. Given the large number of customers, sampling is necessary. The sampling technique is by using accidental sample technique, which is on whoever the writer met at the time the research was shopping, so they were used as the unit of research samples which amounted to 163 respondents. Analysis of the data used is path analysis (Path analysis)

RESULT AND DISCUSSION

Calculation of Average Evaluation of Marketing Mix Implementation and Evaluation of Interests on Customer Satisfaction Factors in Supermarkets in Alfamart, Manado City.

Table 1. Marketing Mix Average Score

Unsur-unsur Marketing Mix	Total Skor		Rata-rata Skor		Ratio P / E	S D	Satisfaction Level
	P	E	P	E			
Product	1089	1310	181.5	218.33	0.83	0.17	Not Satisfied
Price	743	829	185.75	207.25	0.90	0.10	Not Satisfied
Promotion	660	892	165	223	0.74	0.26	Not Satisfied
Location	703	887	175.75	221.75	0.80	0.20	Not Satisfied

Based on the calculation above, there is still a level of gap (gap) between performance perception (performance) / expectation (expectation). This means that customers who shop at the several retail store in Manado City are not yet satisfied.

The Result

The results of the study of the influence of the marketing mix of Supermarkets in Alfamart in Manado City on customer satisfaction consist of the main hypotheses to be tested namely "marketing mix strategy consisting of elements of the marketing mix consisting of products, prices, places and promotions, simultaneously influential significant to consumers shopping interest to shop at retail store at Manado City.

Tabel 2. Matriks Corelation

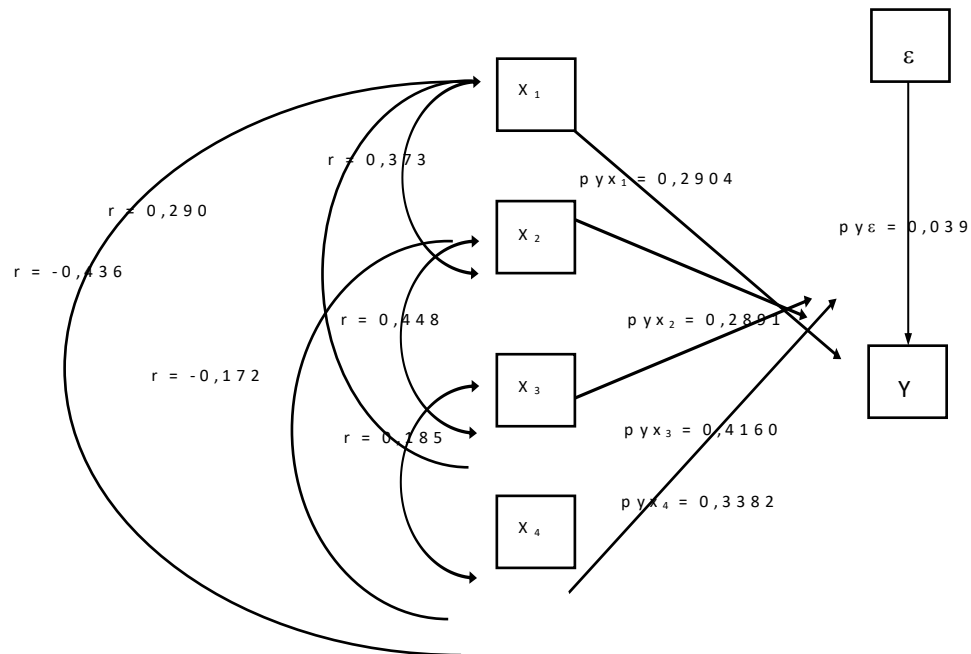
	X ₁	X ₂	X ₃	X ₄	X ₅
X ₁	1.0000	0.373	0.290	-0.436	0.160
X ₂	0.373	1.0000	0.448	-0.172	0.459
X ₃	0.290	0.448	1.000	0.185	0.306
X ₄	-0.436	-0.172	0.185	1.0000	-0.005

The results of testing the hypothesis are as follows:

Tabel 4. Hypothesis testing

Hipotesis	Path Coefficient	T.value	p-value	Conclusion
Product	0.2904	2.082	0.082	significant
Price	0.2891	2.015	0.091	significant
Location	0.4160	2.988	0.024	significant
Promotion	0.3382	2.484	0.048	significant

To be clearer, it can be seen in the picture of the influence of marketing mix marketing strategies on consumer buying interest, both directly and indirectly.



Picture 1. Marketing mix and Consumer Intention

Based on the path diagram above and partial hypothesis testing can be seen large direct and indirect effects and the total influence of each variable all have a positive and significant effect. From statistical tests it turns out that the marketing mix offered by supermarkets in Manado City simultaneously has a significant effect on consumer buying interest. Partially marketing mix which consists of product (product), price (price), place (location, place), and partial promotion (promotion) has a significant effect on consumer buying interest in Alfamart supermarket Manado City.

The marketing mix conducted by retail store is important to be improved and its role is strengthened to reduce the gap between the expectations and performance of superm arkets in Alfamart, Manado, so it is necessary to make improvements in order to increase customer satisfaction which can ultimately increase sales. To anticipate the obstacles faced by supermarket owners, namely very tight competition, differences in customer tastes, market owners must be more thorough and try to consider / adjust to the needs and desires of customers, so that consumer buying interest can increase.

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