

Marketing Mix Analysis, Purchase Decisions, And Customer Loyalty Of Toyota Yaris In Jakarta, Indonesia

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Abstract: If a company does not have the right marketing strategy for its products, it will lose its customers. Therefore, a study is needed on the analysis of the marketing mix, purchasing decisions, and customer loyalty. The study used 250 consumers of Toyota Yaris cars in Jakarta as randomly selected respondents. Data collection used a questionnaire containing closed-end statements using a Likert scale of 1 - 5. Data were analyzed by SEM analysis, Lisrel program. The results of the study found that products, prices, and places have a partial effect on purchasing decisions and consumer loyalty; promotion does not affect purchasing decisions and consumer loyalty; purchasing decisions affect consumer loyalty. There are 4 channels in this study model, the dominant channel is the PRODUCT - PURCHASING DECISIONS- LOYALTIES channel and the PLACE - PURCHASING DECISIONS - LOYALTIES channel, which means in order to increase consumer loyalty it is necessary to increase purchasing decisions by prioritizing product quality improvement and ease of buying.

Keywords: Marketing Mix, Purchasing Decision, Loyalty

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I. Introduction

In order for a company to win the competition, even seize market share, it needs to know what factors affect consumers in determining purchasing decisions and even loyal to a product. By understanding consumer's behavior, a company is expected to develop a profitable marketing strategy that is more in line with changing market opportunities (Nembah, 2012). Therefore a company must have the right marketing strategy for its products if it wants to attract consumers' buying interest and even build customers loyalty so that it can maintain and even increase its market share. Currently the car segment that is in demand is the hatchback car segment, because the car in this segment is a five-passenger capacity sedan car with a shorter rear design and trunk doors that blend with the rear glass. This trunk door opens up and the trunk space is integrated with the passenger space, as well as 1,500 cc engine capacity. In addition, the hatchback segment car is practically moving amid heavy traffic and economical fuel consumption. The hatchback car segment includes Toyota Yaris, Honda Jazz and Suzuki Swift with competing sales. Based on data from hatchback car sales in Indonesia in the last 3 years (2015-2017), information was obtained that public demand for Toyota Yaris cars tended to decline even though it was better than the Suzuki Swift. Meanwhile the demand for Honda Jazz cars tends to rise from year to year (www.gaikindo.or.id). See Table 1.

Table 1.Hatchback car sales data in Indonesia for 2015-2017

Car Make	Year		
	2015	2016	2017
Toyota Yaris	27,809	13,726	17,774
Honda Jazz	21,244	19,017	25,050
Suzuki Swift	12,927	9,753	10,004

According to Sofjan Assauri (2013), marketing strategy is an activity of analyzing, planning, implementing, and controlling programs created to shape, build, and maintain the benefits of exchanges through market objectives in order to achieve the company's goals in the long run". Meanwhile, Kotler and Armstrong (2008) states that "Marketing mix is a good marketing tool, which is a set of product, pricing, promotion, distribution, combined to produce the desire response of the target market". The purpose of the strategy is to meet the needs of consumers in making purchasing decisions and even repurchasing continuously.

But based on a previous study it can be concluded that there is an inconsistent relationship between marketing mix, purchasing decisions, and customer loyalty variables. The results of the study by I Kadek, et al (2014) explain that products, distribution, and promotion affect purchasing decisions and purchasing decisions

affect loyalty. The results of Anantha's study (2012) explain that prices affect loyalty. Andrew study results (2013) explain that product, price, distribution, and promotion affect loyalty. The results of Mei et al study (2017) explain that the marketing mix affect purchasing decisions. But the results of different studies, among others, the results of Haris' study (2015) explain that prices do not affect the purchasing decision. Christian study results (2013) explain that promotion and place have no effect on loyalty.

Study References, Thinking And Hypotheses Framework

Marketing mix consists of products, prices, places or distribution channels, and promotion (Nana, 2015). According to Indriyo (2014), consumers prefer quality products. According to Kotler and Keller (2007), the product dimensions consist of forms, features, customization, performance quality, conformance quality, durability, reliability, reparability, style, and design. Meanwhile, according to Nana (2015), the consideration factors in pricing are the perception of value by customers (upper price limit), other internal and external considerations (strategy, objectives, and marketing mix as well as market conditions and competitors, and product costs (lower price limits). According to Manap (2016), the purpose of pricing is for financial, marketing and social achievements, while the place in the marketing mix is usually called distribution channels. According to Nana (2015), companies generally use intermediaries or cooperate with other companies to sell their goods to consumers. The intermediaries function as a marketing channel for a company. According to Kotler and Armstrong (2008), marketing channels are a set of institutions/organizations that carry out all activities (functions) that are used to channel their products or services and ownership status from producers to consumers. According to Tjiptono (2008), the factors in choosing a place or location are access, traffic, visibility, large and safe parking space, and the environment. Furthermore, companies can use promotion to inform the products they produce and highlight better product value than similar competitor products so that consumers are interested in purchasing the product. According to Tjiptono (2008), the promotional mix consists of advertising, personal selling, sales promotion, publicity and public relations, and direct marketing.

According to Kotler and Keller (2007) factors that can affect purchasing decisions include cultural factors, social factors, personal factors, and psychological factors. According to Kotler and Keller (2007), the dimensions used for purchasing decision variables are product choice, brand choice, dealer choice, purchase amount, buyer time, and payment method. Meanwhile, indicators of purchasing decisions include a commitment to a product where excellent product quality will build consumer trust leading to a customer satisfaction; habits in buying products.

Customer loyalty is a strong commitment from customers to subscribe again or make a repeat purchase of a product or service that is consistently preferred in the future. Although the effect of the situation and marketing efforts has the potential to cause customer's behavior to switch preference, according to Kotler and Keller (2007), loyalty is a deep commitment to buy or support a product or service that is preferred in the future, even though the effect of the situation and marketing efforts has the potential to cause customers to switch. According to Tjiptono (2008), consumer loyalty is a customer commitment to a brand, store or supplier based on a very positive nature in long-term purchases.

II. Methodology

This is a quantitative and associative study. According to Sugiyono (2013), descriptive method is defined "as a method used to analyze data by describing or illustrating the collected data as they are without intending to make conclusions that apply to the public or generalization". The characteristics of the descriptive method is to make an overview of the situation or event, and get the meaning and collect data, and data collection techniques with scheduled questionnaires or interviews. Meanwhile, according to Siregar (2013), associative study is a type of study that aims to find relationships between two variables. The data used are primary and secondary data. According to Sugiyono (2013) secondary data is a source that does not directly provide data to data collection, for example through other people or documents. Primary data is data obtained from respondents.

The population of this study were consumers of Toyota Yaris cars. Respondents were determined by purposive sample with the criteria that the respondents selected were those using Toyota Yaris cars; domiciled in Jakarta; and prospective buyers of Toyota Yaris car. The sample size in this study was searched using the Hair formula: $n = 5 \times \text{Indicator}$, $n = 5 \times 56$, $n = 280$, $n = \text{Number of samples}$.

The study tool in the form of a questionnaire consisting of statements with alternative answers according to Likert scale 1- 5. Value 5 = strongly agree (SS), 4 = agree (S), 3 = neutral / doubtful, 2 = disagree (TS), and 1 = strongly disagree (STS). Based on the above assessment, it can be determined the scale range category with the formula $RS = \frac{m-n}{k}$, namely RS: scale range, m: maximum score; n = minimum score; k = number of categories. So this study has $RS = \frac{5-1}{5} = 0.80$ with the interpretation that 1.00 - 1.80 = very bad; 1.81 - 2.60 = not good; 2.61 - 3.40 = medium; 3.41 - 4.20 = good; 4.21 - 5.00 = very good.

Furthermore, the data is tested for validity and reality. Validity testing is done using Pearson Correlation, where an indicator / item is declared valid if the critical r value > 0.3 (Hair et.al, 1998). While reliability testing uses Alpha Cronbach Technique, where a construct or variable is declared reliable if it has a Cronbach alpha value > 0.6 (Zeithaml, et al. 1996). Data analysis using SEM analysis. Hypothesis testing based on T test, t count > 1.96, the alternative hypothesis will be accepted.

III. Study Results

Study respondents were 250 consumers of Toyota Yaris cars. Characteristics of respondents are as follows: most male respondents including aged over 30 years; employed; income of IDR 20,000,000 - IDR 30,000,000.

Based on the validity test, the information obtained is that the product variable is reflected by 15 valid indicators, the price variable is reflected by 9 valid indicators, the place variable is reflected by 9 valid indicators, the promotion variable is reflected by 9 valid indicators, the purchasing decision variable is reflected by 9 valid indicators, the loyalty variable is reflected by 5 valid indicators. The indicators of these 5 variables have a critical r value > 0.3. Whereas based on the reliability test, it is obtained information that the product, price, place, promotion, purchasing decision and loyalty variables are reliable, because these 5 variables have a Cronbach alpha value > 0.6.

Respondents' responses to Yaris' products, prices, places, promotions and purchasing decisions were good, because the scores of each variable were 3.41 to 4.20. Meanwhile, the respondents' response to loyalty was very good, because the score was 3.42 - 5.00.

Based on SEM analysis, two models of equations are obtained which describe the relationship of the 5 study variables (see Table 2). In equation 1, it can be said that the product, price, place, and promotion variables contribute 0.89 (R² = 0.89) to the purchasing decision variable. Other variables that are not explained in this study can contribute 0.11 to the purchasing decision variable. Whereas from equation 2 it can be said that the product, price, place, promotion, and purchasing decision variables contribute 0.94 (R² = 0.94) to customer loyalty. Other variables that are not explained in this study can contribute 0.06 to customer loyalty.

Table 2. Structural Equation

No.	Equation	R ²
1.	PURCHASING DECISION= 0.29*PRODUCT + 0.42*PRICE + 0.39*PLACET + 0.012*PROMOTION	0.89
2.	LOYALTY = 0,33*PURCHASING DECISION + 0.29*PRODUCT + 0.20*PRICE+ 0.25*PLACE+ 0.032*PROMOTION	0.94
Source: data processing results		
Based on the GoF test, the results are obtained that NCP = 670.69; FO = 2.69; RMSEA = 0.042; ECVI = 9.85; AIC = 2452.69; CAIC = 3035.95; PNFI = 0.92; CFI = 0.92; IFI = 0.99; RFI = 0.96; RMR = 0.037, AGFI = 0.74, PGFI = 0.70, so it can be said that there is a compatibility of the study model.		

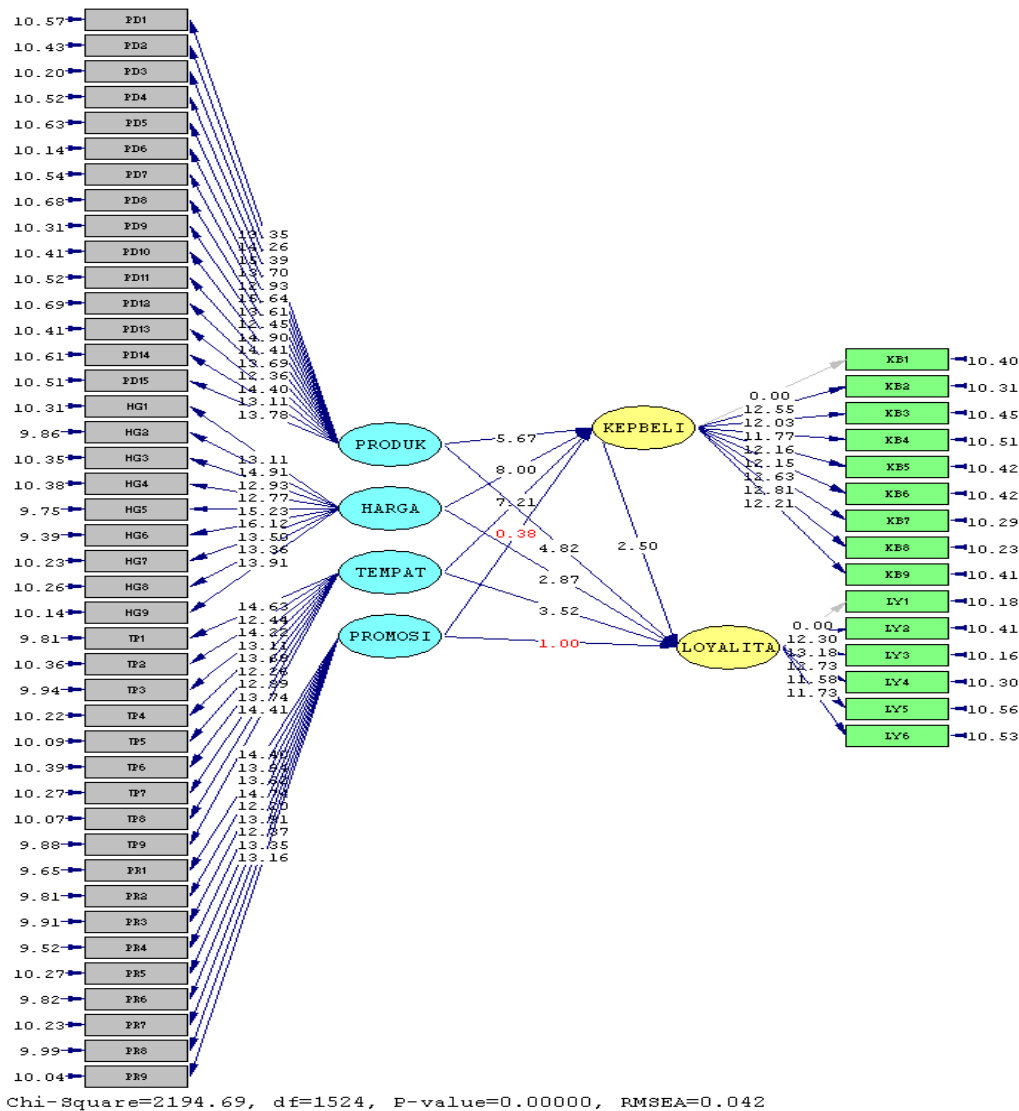


Figure 2.

T Test

From Figure 2, we can know the relationship between the variables of this study. H1 is accepted, because t_1 count = 5.67 (> 1.97). That means there is an effect of product variable on the purchasing decision variable. The diversity of indicator values on product and purchasing decision variables can explain the relationship between the two variables. This is consistent with the study results by Puji Isyanto, et al (2012); Kuat Supriyono, et al (2014); Rezky Purna Satit, et al (2012); Ngabdur Rohman and Evy Rahmawaty (2016) that product quality affects purchasing decisions.

H2 is accepted, because t_2 count = 8.00 (> 1.97). It means that there an effect of the price variable on the purchasing decision variable. The diversity of indicator values on price and purchasing decision variables can explain the relationship between the two variables. This is in accordance with the study results by Kuat Supriyono, et al (2014); Rezky Purna Satit, et al (2012); Ngabdur Rohman and Evy Rahmawaty (2016) that prices affect purchasing decisions.

H3 is accepted, because t_3 count = 7.21 (> 1.97). That is, there is an effect of the place variable on the purchasing decision variable. The diversity of indicator values in place and purchasing decision variables can explain the relationship between the two variables. The results of this study are in accordance with the results of Aripin's study (2013) that place/distribution affects decisions

H4 is rejected, because t_4 count = 0.38 (<1.97). That is, there is no effect of the promotion variable on the purchasing decision variable. The diversity of indicator values on promotion and purchasing decision variables have not been able to explain the relationship between the two variables. This is not in accordance with the study results by Kuat Supriyono, et al (2014) that promotion affects the purchasing decision.

H5 is accepted, because t_5 count = 4.82 (> 1.97). It means that there is an effect of product variables on customer loyalty variables. The diversity of indicator values on product and customer loyalty variables can explain the relationship between the two variables. This is in accordance with the results of Haris's study (2015) that products affect customer loyalty.

H6 is accepted, because t_6 count = 2.87 (> 1.97). That is, there is an effect of the price variable on the customer loyalty variable. The diversity of indicator values in price and customer loyalty variables can explain the relationship between the two variables. The results of this study are in accordance with the results of Christian's study (2013) that price affects customer loyalty.

H7 is accepted, because t_7 count = 3.52 (> 1.97). That is, there is an effect of the place variable on the customer loyalty variable. The diversity of indicator values in place and customer loyalty variables can explain the relationship between the two variables. The results of this study are in accordance with the results of Aripin's study (2013) that place/distribution affects customer loyalty.

H8 is rejected, because t_8 count = 1.00 (<1.97). That is, there is no effect of the promotion variable on the customer loyalty variable. The diversity of indicator values on promotion and customer loyalty variables have not been able to explain the relationship between the two variables. This is not in accordance with the study results by Youcep Souar, et al (2015) that promotion affects the customer loyalty.

H9 is accepted, because t_9 count = 2.50 (> 1.97). That is, there is an effect of the purchasing decision variable on the customer loyalty variable. The diversity of indicator values in purchasing decision and customer loyalty variables can explain the relationship between the two variables. The results of this study are in accordance with the study results of Yu-Syuan, Tso-Jen, dan Cheng-Che (2016) that purchasing decision affects customer loyalty.

From Table 2 above, it can also be known about the direct, indirect, and total effects between these variables. See Table 3.

Table 3. Direct, Indirect and Total Effect

No.	Pathway	Direct	Indirect	Total
1.		0.29	- 0.29x0.33	- 0.39
2.		0.20	- 0.42 x 0.33	- 0.34
3.		0.25	- 0.39 x 0.33	- 0.38
4.		0.032	- 0.012 x 0.33	- -0.036

Source: data processing results

In Table 3 it can be seen that there are 3 pathways in this study model, namely PRODUCTS - PURCHASING DECISION- LOYALTY, PRICE - PURCHASING DECISION - LOYALTY, PLACE - PURCHASING DECISION - LOYALTY, and PROMOTION - PURCHASING DECISION - LOYALTY. The dominant paths are PRODUCT - PURCHASING DECISION - LOYALTY and the paths of PLACE - PURCHASING DECISION - LOYALTY, PROMOTION - PURCHASING DECISION - LOYALTY which means that the improvement of product quality and purchasability (place) is more dominant in influencing the increase in purchasing decisions and loyalty.

IV. Conclusion

The Toyota Yaris car company can maintain and even increase consumer perceptions about the level of purchasing decisions, as well as the level of customer loyalty through the improvement of the marketing mix strategy, especially (product, price, place) that are currently being implemented. Because the product, price and place partially affect the level of purchasing decisions. Meanwhile, the product, price, place, and level of purchasing decision partially affect the purchasing decision. Promotion does not affect both purchasing decisions and customer loyalty. This fact is also reinforced that there is a dominant pathway, namely the path of product-purchasing decision-loyalty and the path of place-purchasing decision-loyalty. This means that the level of purchasing decisions and customer loyalty of Yaris cars can be maintained by prioritizing product quality and purchasability or place.

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