

Marketing Mix Practice Theory on Tourism Decision Making in Makassar City

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Abstract:

Background: The aim of this study was to determine the effect of the marketing mix (7P) consisting of Products, Prices, Promotions, Places, People, Processes, and Physical Evidence on the decision making process of tourists visiting in Makassar. This study is a quantitative study using a total sampling of 101 respondents with non-probability sampling methods. The research analysis technique used in this study is a multiple regression analysis to determine the relationship between variables obtained from previous studies or from references. The results shown that all variables used simultaneously affect the Purchase Decision. The hypothesis which explains that the variable Services Marketing Mix simultaneously influences the Purchasing Decision is accepted. The R Square is 0.323 or 32.3%. That is, the marketing mix variable used in this study simultaneously affected purchasing decisions by 32.3% while the remaining 67.7% was influenced by other variables outside this regression equation or variables not examined. The test also shows how the partial effect of each variable on the Purchasing Decision. The results when doing the t test obtained the results that only the Price (X2) and Location (X4) have a positive and significant effect on Purchasing Decisions. So in other words that the hypothesized variable Services Marketing Mix partial effect on Purchasing Decisions is rejected.

Key Word: Marketing Mix; Purchase Decision; Multiple Regression; Tourism.

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I. INTRODUCTION

One of Indonesia's leading service sectors is the tourism industry which is one of the industries that is able to promise rapid economic growth. The contribution of the tourism sector to the country so far ranks third after oil and gas exports and textile and manufacturing exports. The tourism sector is also able to revive the community's economy, both in the service sector and the handicraft industry. (Himawan, 2004), (Lita, 2008). Badan Pusat Statistik (BPS) of South Sulawesi Province recorded the number of foreign tourists visiting through the Makassar gate decreased by around 38.53 percent in May compared to April 2018. The number of tourists visiting South Sulawesi in May was 659 people, compared to almost half in April 2018 which actually visited as many as 1,072 tourist visits (Kadir, 2018). Another problem that arises is how the management can optimize the existing tourism, where the competitiveness of regional tourism is increasing along with improving people's lifestyles.

Marketing mix theory could be used to answer the demands and needs of the target market as an effort of the regional tourism manager to stimulate and influence the process of making purchasing decisions. Previously, several main issues regarding Product, price, Place, Promotion, People, Process, and Physical Evidence or commonly abbreviated as 7P will be defined. So, by adopting the marketing mix (7p) it is suspected that it will influence the decision process of consumers to visit tourist attractions. In a decision to make a purchase, consumers usually decide what products and services to buy, where to buy, the appropriate price and so on.

(Kotler, 2003) Marketing Mix 7p are: 1) Products; Products are all things that can be offered to the market to attract attention, acquisition, use, or consumption that can satisfy a desire or need (Armstrong & Kotler, 2003). Product is anything that can be offered to the market to get attention, owned and used, or consumed, which includes physical goods, services, personalities, places, organizations and ideas or thoughts. (Sofjan, 2010). 2) Price; Price is the only element of marketing mix that results in sales revenue, while other elements are only cost elements (Sofjan, 2010). Prices are all forms of monetary costs that are sacrificed by consumers to obtain, own, utilize a number of combinations of goods and services of a product (Hasan, 2009). 3) Place; distribution can be interpreted as marketing activities that seek to facilitate and facilitate the delivery of goods and services from producers to consumers so that their use is appropriate to what is needed (type, quantity, price, place and when needed) (Tjiptono, 2008). Places include company activities that make products available to target customers (Tjiptono, 2008). 4) Promotion; Promotion is a variety of ways to inform, persuade, and remind consumers directly or indirectly about a product being sold (Kotler, 2009). Promotion is the company's effort to influence by persuading (persuasive communication) prospective buyers, through the use of all marketing reference elements (Sofjan, 2010). 5) People; are employees and sometimes other customers involved in the production process (Lovelock & Wright, 2007). People or employees are an element of the marketing mix that has an important role, because they are directly involved in the delivery of products to consumers. 6) Process; Processes are all the actual procedures, mechanisms, and activities flow used to deliver services (Kotler, 2009). The process is a method of operation or a series of specific actions, which generally take the steps needed in a predetermined sequence (Lovelock & Wright, 2007). 7) Physical Evidence; is another visual or tangible clue that provides evidence of the quality of the service (Lovelock & Wright, 2007). Physical evidence is a real thing that also influences the consumer's decision to buy and use the product or service offered by the service (Kotler, 2009).

According to (Kotler, 2009), purchasing decisions are actions of consumers to want to buy or not to product. Of the various factors that influence consumers in purchasing a product or service, consumers usually always consider the quality, price and products that are already known by the public. According to (Schiffman, G., & Kanuk, 2010) The purchase decision process can be explained as follows: 1) Problem Recognition, 2) Search of Information, 3) Alternative Evaluation, 4) Buying Decision, 5) Post-purchase Behavior. The research model in this study can be seen in the following figure:

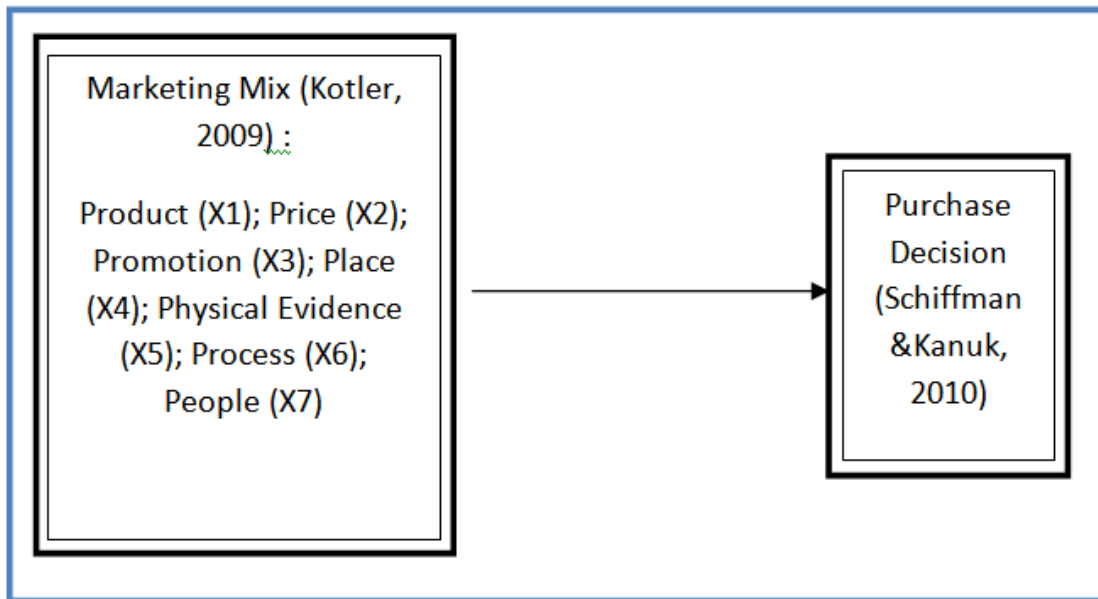


Figure 1 models

Based on the research model, the following research hypotheses are formulated: (1) There Is A Simultaneous Effect Of Marketing Mix Variable On The Tourist Buying Decision Process; and (2) There is a Partial Effect of Service Marketing Mix Variables on the Purchasing Decision.

II. METHODS

This research was conducted in Makassar City with the object of the study was tourists who visited attractions in Makassar City. This type of research is verification because this study aims to examine the effect of the implementation of the marketing mix as a competitive advantage to the tourist decision process. The size of the sample depends on the amount of accuracy or error desired by the researcher. However, in terms of error rates, in social studies the maximum error rate is 5% (0.05). The greater the error rate, the smaller the sample. Because the population is unknown, sampling is done using the formula (Riduwan, 2004) so that with an unknown population, 96 respondents can be used, with a confidence level of 95% and a maximum error of 20%. In this study, research respondents were 101 people.

The sampling technique in this study is used by nonprobability sampling because the magnitude of the element's chance to be determined as a sample is unknown. The nonprobability sampling technique used is incidental sampling technique, where the understanding is the technique of determining the sample by chance, or anyone who incidentally (incidentally) meets with the researcher and is considered suitable with the characteristics of the specified sample to be sampled.

From the results of the research that was collected then the following analysis data will be presented as follows: 1) Descriptive Analysis : Descriptive analysis is an analysis to describe marketing mix variables on purchasing decisions., 2) Test Validity : Validity test is used to measure whether the questionnaire used is valid or not. A questionnaire is said to be valid if the question on the questionnaire is able to reveal something that can be measured by the questionnaire. In the validity test the correlation coefficient (r) test is performed. The amount of r can be calculated using a significance level of 5% or 0.05. In determining the r count the authors use the help of the SPSS software program. If the measurement results show $r_{count} > r_{table}$ then the item is declared valid. If the measurement results show $r_{arithmetic} < r_{table}$ then the item is declared invalid. 3) Reliability Test : The reliability test is used to measure the consistency of a questionnaire. A questionnaire is said to be reliable if a person's answer to a statement is consistent or stable from time to time. The reliability test is measured by Cronbach's alpha by comparing the standard alpha value of 60% or 0.6. In determining the alpha value the writer uses the help of SPSS software program. If cronbach's alpha value > 0.6 then the item variable is declared reliable. If the Cronbach's alpha value is < 0.6 then the variable items are declared to be unreliable. 4) Multiple Regression Analysis : Multiple regression analysis is an analysis to see the extent of the influence of the marketing mix variable on the decision making process. Multiple regression analysis uses the equation formula as quoted in (Sugiyono, 2011)

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_nX_n + e$$

5) Determination Coefficient Test (R²): The coefficient of determination test is used to see the magnitude of the effect independent variable with respect to the dependent variable. This R² value ranges from 0 $< R^2 < 1$. The coefficient of determination (R²) is zero, so the independent variable has absolutely no effect on the dependent variable. If, the coefficient of determination approaches one, it can be said that the independent variable influences the dependent variable. In addition, the coefficient of determination is also used to determine the percentage change in the dependent variable influenced by the independent variable. 6) F Test : The F test is used to see how all the independent variables influence together with respect to the dependent variable, with $\alpha = 0.05$ at the level 95% confidence. In determining the F_{result} the writer uses the help of the SPSS program. If $F_{result} > F_{table}$, the independent variable simultaneously has an influence on the dependent variable. If $F_{result} < F_{table}$ then the independent variable simultaneously has no influence on the dependent variable.

III. RESULT

1) Descriptive Analysis :

	N Statistic	Range Statistic	Minimum Statistic	Maximum Statistic	Mean		Std. Deviation Statistic	Variance Statistic	Skewness		Kurtosis	
					Statistic	Std. Error			Statistic	Std. Error	Statistic	Std. Error
Product	101	3	2	5	3,93	,069	,697	,485	-.268	,240	,027	,476
Price	101	3	2	5	3,58	,075	,752	,565	-.293	,240	-.168	,476
Promotion	101	3	2	5	3,60	,076	,763	,582	-.566	,240	-.023	,476
Place	101	4	1	5	3,76	,073	,737	,543	-.814	,240	1,623	,476
PhysicalEvidence	101	3	2	5	3,61	,077	,774	,599	-.258	,240	-.226	,476
Process	101	3	2	5	3,94	,073	,732	,536	-.530	,240	,451	,476
People	101	3	2	5	3,67	,077	,776	,602	-.534	,240	,051	,476
BuyingDecision	101	2	3	5	3,95	,050	,498	,248	-.109	,240	1,132	,476
Valid N (listwise)	101											

Figure 1 Descriptive Statistics Result

The SPSS output shows the number of respondents (N) 101 people, out of these 101 respondents the minimum value given is 1 Strongly Disagree given on the Place variable and the maximum value of 5 is spread on all variables. The average value given by respondents is in the distribution of 3.58 - 3.95 with a standard deviation of 0.498-0.776. Skewness and Kurtosis is a measure to see whether the data is normally distributed or not. Skewness shown in the data is between -0.109 to -0.814 and Kurtosis displayed in the data is -0.023 to 1.623. Normally distributed data have skewness and kurtosis values close to zero (Imam Ghozali, 2009). So that the data presented above, is normally distributed data.

2) Validity and Realibility Test :

SPSS output shown that the questionnaire items are valid or not based on the value of the output "Pearson Correlation" which is compared with the value of r table with N = 101 at a significance of 5%, found the value of r table of 0.1937. Because the value of r count for each item > from r table, it can be concluded that the eight items tested are valid. The results of SPSS are known that there are 8 question items tested with a Cronbach Alpha value of 0.788 whose value is greater than 0.60, it can be concluded that all questionnaire questions for the Marketing Mix variable in Tourism Decision Making are reliable or consistent. If a description of the statistical values for all the question items is given, then according to the table below :

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Product	26,13	10,573	,521	,761
Price	26,48	10,932	,386	,783
Promotion	26,46	10,150	,552	,755
Place	26,30	10,411	,518	,761
PhysicalEvidence	26,45	10,010	,573	,752
Process	26,12	10,966	,395	,781
People	26,39	9,979	,578	,751
BuyingDecision	26,11	11,638	,451	,774

Figure 2 Result of Realibility Test

3) Multiple Regression Result Test :

The Summary Model below explains the value of the coefficient of determination that is the contribution or contribution of the variable effect of the marketing mix simultaneously (together) to the purchase decision variable.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,569 ^a	,323	,272	,424

a. Predictors: (Constant), People, Price, Place, Process, Product, Promotion, PhysicalEvidence

Figure 3 Result of Model Summary

Based on the table above it can be seen that the coefficient value or R Square is 0.323 or equal to 32.3%. This means that, the marketing mix variable used in this study simultaneously (together) influences the purchase decision variable by 32.3% while the rest (100% - 32.3% = 67.7%) is influenced by other variables outside this regression equation or variables not examined.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8,002	7	1,143	6,347	,000 ^b
	Residual	16,750	93	,180		
	Total	24,752	100			

a. Dependent Variable: BuyingDecision
b. Predictors: (Constant), People, Price, Place, Process, Product, Promotion, PhysicalEvidence

Figure 4 Anova Result

Based on the Significance Value (Sig.) Of Anova Output above, it is known that the Sig. 0,000. Because the value of Sig. 0,000 < 0.05, then according to the basis of decision making in the F test it can be concluded that the hypothesis is accepted or in other words all the variables that exist in the marketing mix (Product, Price, Promotion, Place, Physical Evidence, Process, People) simultaneously influence towards the Purchase Decision (Y).

Based on SPSS output, the calculated F value is 6.347. When compared with the value of the F table and the distribution of F for Probability = 0.05 is 2.01 then $F_{count} > F_{table}$, so in this F test it can be concluded that the hypothesis is accepted or in other words Product (X1), Price (X2), Promotion (X3), Place (X4), Physical Evidence (X5), Process (X6), and Person (X7) simultaneously influence purchasing decisions.

Table 1 Coefficient alpha

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,979	,344		5,760	,000
	Product	,091	,072	,127	1,263	,210
	Price	,208	,061	,315	3,409	,001
	Promotion	-,010	,070	-,016	-,150	,881
	Place	,213	,069	,315	3,062	,003
	PhysicalEvidence	-,125	,070	-,195	-,1798	,075
	Process	,054	,066	,079	,819	,415
	People	,094	,069	,146	1,354	,179

a. Dependent Variable: BuyingDecision

The "Coefficients" table provides information about the regression equation and whether or not there is a partial influence of the Service Marketing Mix variable on the Purchase Decision variable. As the formula presented in chapter 2 part no 4, $Y = 1.979 + 0.091 + 0.208 + (-0.10) + 0.213 + (-0.125) + 0.054 + 0.094$.

IV. CONCLUSION

The conclusions that can be drawn in this study are as follows;

- 1) Based on the descriptive test results, it was found that the Skewness value for each variable between -0.109 to -0.814 and Kurtosis displayed in the data is -0.023 to 1.623. With the data obtained it is based on (Imam Ghozali,2002) the data in this study are normally distributed data.
- 2) Based on the validity and reliability testing, the value of each question counted > from r tables with a value of 0.1937 with an N of 101, so it can be concluded that the eight items tested were valid. While testing the reliability, the Cronbach Alpha value obtained was 0.788 whose value is greater than 0.60 then all questionnaire questions for the Marketing Mix variable on Retrieval Tourism decisions are reliable or consistent.
- 3) Based on testing using multiple linear regression methods, Value of Significance (Sig.) Anova output obtained from the Sig. 0,000 because Sig. 0,000 < 0.05, then according to the basis of decision making in the F test it can be concluded that all the variables that exist in the marketing mix of services (Products, Prices, Promotions, Places, Physical Evidence, Processes, People) simultaneously (together) influence towards the Purchase Decision (Y). Then the hypothesis explaining that the Service Marketing Mix variable simultaneously influences the Purchasing Decision is accepted.
- 4) As for how much the simultaneous influence of Service Marketing Variables that influence Purchasing Decisions can be seen in the coefficient of determination where based on the table, that the coefficient value or R Square is 0.323 or equal to 32.3%. This means that, the marketing mix variable used in this study simultaneously (together) influences the purchase decision variable by 32.3% while the rest (100% - 32.3% = 67.7%) is influenced by other variables outside this regression equation or variables not examined.
- 5) Testing with multiple linear regression also shows how the partial effect of each variable on the Purchase Decision, where when doing the t test the results show that only the Price variable (X2) and Location variable (X4) have a positive and significant effect on the Purchase Decision. So in other words that the hypothesized variable Services Marketing Mix partial effect on Purchasing Decisions is rejected.
- 6) the results obtained that the variable Marketing Services Mix Simultaneously affect the Purchase Decision of 32.3%, this can be caused by the influence of other variables not examined in the study. So, for further research can be done by adding several variables that are deemed suitable or in accordance with the topic of the Purchase Decision research in the Tourism Industry in the City of Makassar.
- 7) From the variables that have been analyzed, the input that can be given to the tourism industry management in Makassar City is to focus on increasing promotion on a massive scale so that information about the Tourism Industry in Makassar City can be conveyed widely, re-visit Makassar, and utilize technology in providing services to citizens who want to make a tourism visit.

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