

## Marketing Mix Analysis Affecting on Honey Purchasing Decision in Batu City

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### Abstract

The aim of this research was to know the effect of marketing mix on honey purchasing in Batu city. This research was conducted in three honey outlets, such as Eco Green Park, Jawa Timur Park 2 and Batu Night Spectacular. Respondent of this research was 180 with accidental sampling. The analysis of this research used multiple regression. The result of empyris analysis was resulting regression equation  $Y = 79,126 - 0,272X_1 + 0,026X_2 + 0,161X_3 + 0,015X_4 + 0,054X_5 - 0,115X_6 - 0,191X_7 - 0,065X_8 - 0,014X_9 - 0,038X_{10} + 0,053X_{11}$ . According to the multiple regression analysis the honey product size, price of honey product, and why consumer prefer buy honey product which have huge effect on consumer decision around 0.161. Hypothesis test used t test showed positive and significant effect on consumer decision which four free variable such as product ( $X_1$ ), price ( $X_2$ ), promotion ( $X_3$ ) and distribution ( $X_4$ ). F test showed the variable product, price, promotion and distribution were worthy to test suspended consumer decision. Customized by R Square showed 13.7% variation of consumer decision could explain from seven independent variables in multiple regression. However, the rest 86.74% explained by others variable not include 7 variable used in this research.

**Keywords:** Marketing mix, Consumer decision, Honey

### 1. Introduction

The demand of honey product is increasing year by year, although there was fluctuation by the time and location. The data from Central Bureau of Statistics of Indonesia (Badan Pusat Statistik Indonesia) had imported honey in 2013 (946.450 kg), in 2014 become 2.243.474 kg, and in 2015 (1,870,977kg) (Anonim, 2016). This fluctuation is an effect of global or national dynamic, especially the climate change. The demand of honey in line with increasing human population and national economics development, this makes honey agribusiness in Indonesia have a good prospect.

The honey quality gives an effect to consumer decision because they will choose honey with the best quality for production or consumption. The assessment of honey quality usually observed by final consumer (households and individual) or retailer such as pharmacy, cosmetic industry, drugstore, hotel and restaurant. Thus, honey product marketing must have a good strategy to produce honey with the good quality as what the consumer needed.

The process of consumer decision to buy or consume goods and service (Kotler and Armstrong, 2008) affected by three main factors there are: (a) marketing activity of producer and others institutions, (b) difference factor of individual consumer, (c) environmental factor of consumer. High competition between goods and service of many companies have a purpose to get many consumer. Marketing strategy is a key for company to win the competition, there are two variable which must be concerned, such as controlled variable and uncontrolled variable. Controlled variable is marketing mix, there is a combination of many marketing variables which can be controlled by the company to get some opinion from selling product then it will reach selling volume with specific cost to get profit. There are some marketing mix factors such as product, price, place and promotion (Kotler and Armstrong, 2008).

Batu city in East Java province is the one of favourite destination for holiday. The data in 2016 showed around 3.5 million tourist had been visit this city (Anonim, 2017), there is a reason this city include of the biggest destination similar to Bali and Yogyakarta. Human population in Batu city according to BPS 2014 have reached 211,298, with area 19,908 km<sup>2</sup>, so that population density is 1.060 people per km<sup>2</sup> (Anonim, 2015). The tourist which visit this city is a potential to be honey product consumer.

The producer needs marketing mix factor to know consumer decision of honey product, so it can develop and offer the honey product based on what the consumer wants and needs. According to those data explanation, it needs to do a research with the title "Marketing Mix Analysis Affecting on Honey Consumer Decision in Batu City, East Java Province. This research hopefully will give some advices and informations for the government and honey bee farmer and also developing the honey product which is suitable with consumer needs to increase honey agribusiness especially in East Java and in national commonly.

## 2. Material and Methods

### 2.1 Time and Research Location

Data collection was taking place in Eco Green Park, kusuma agrowisata, Jawa Timur Park 1 and musium angkut which have honey product outlet in Batu city, East Java at April- May 2017. 180 tourist who visit honey product outlet in some destinations were used as respondent using technique accidental sampling.

Survey method was used for this research. This method is an observation by respondent answer both oral and writing.

### 2.2 Data collection technique

This research data collection by interview, documentation and questionnaire. The questionnaire is a form with some questions related with marketing mix, then interview is an activity of researcher to do direct dialog with tourist (Mulyana, 2008). The Likert scale used for this reseach, according to Sugiyono (2009) stated Likert scale 1-5 with the answer choice such as:

For the example of answer score as follows:

- Very Agree (Va)                      Score = 5
- Agree (A)                                Score = 4
- Doubtful (Do)                         Score = 3
- Disagree (Di)                         Score = 2
- Very Disagree (VD)                 Score = 1

### 2.3 Data analysis

Factor analysis is a method to analyze some matric data consist of variables. This analysis to simplify huge variable data become small variable data but thus small variable can give all information as variable representative before factor analysis.

### 2.4 Model Specification

Linier regression is a statistic method which is used to form the relation model between dependence variable and independence variable. Double regression form is mathematic formulated as follows:

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4 + \dots \dots \dots b_n X_n e$$

Description:

- Y = consumer decision
- $X_1$  = Product
- $X_2$  = Price
- $X_3$  = Place
- $X_4$  = Promotion
- a = Constanta
- b = Coefficient
- e = Standard error

## 3. Result and Discussion

### 3.1 The product effect on consumer decision

Product variable with sub brand and taste variable most of respondents responded that brand and honey taste affected the honey consumer decision. This is showed by the average score on sub brand and taste variable was 3.8. Product variable with second sub variable was about the product size. The average score of size sub variable was 3.7. This showed that product size also influenced tha consumer decision of honey product. The assessment of respondent on product variable that was described on respondents' answer distribution table (table 1).

Table 1. The product Effect on Consumer Decision

Indicator	VA		A		Do		Di		VD		Average
	f	%	f	%	f	%	f	%	f	%	
Brand (x1.1)	38	21,11	91	50,56	34	18,89	16	8,89	1	0,56	3,8
Size (x1.2)	15	8,33	107	59,44	45	25,00	12	6,67	1	0,56	3,7
Flavor (x1.3)	37	20,56	87	48,33	41	22,78	14	7,78	1	0,56	3,8

### 3.2 The price influence on consumer decision

Price is one of factors of marketing mix that can influence the consumer decision in buying a product. Consumer would give an assessment on price factor in influencing honey consumer decision. Price assessment on a product can be assessed from the price comparison with other price product. The first price sub variable which affected honey consumer decision namely price clearness, the price and proper price with the product quality with the average score 3.8. The assessment on the second price sub variable that affected honey consumer product was the price comparison between honey product that was showed by high enough average score 3.7. The respondent assessment on product price variable that was described on the respondents' answer distribution table (table 2).

Table 2. The Effect Price on Consumer Decision

Indicator	VA		A		Do		Di		VD		Average
	f	%	f	%	f	%	f	%	f	%	
Price Clearness (x2.1)	41	22,78	82	45,56	41	22,78	14	7,78	2	1,11	3,8
Price (x2.2)	31	17,22	94	52,22	44	24,44	11	6,11	0	0,00	3,8
The proper price with product quality (x2.3)	29	16,11	96	53,33	43	23,89	12	6,67	0	0,00	3,8
Price comparison (x2.4)	34	18,89	80	44,44	47	26,11	17	9,44	2	1,11	3,7

### 3.3 The Place Influence on Consumer Decision

The assessment on place variable consists of four sub-chapter variables. The first sub-chapter variable which was the most dominated based on the respondents' answer was the place hygiene with the score average 3.8 that was 52.22% respondents agreed that hygiene place influenced the honey consumer decision. The second sub chapter variable was the location with the score average 3.7 that was 47.22% respondents agreed that strategic location would affect honey consumer decision, the respondents more chose the access of honey outlet that was easy and there were public transportation which passed that place. The third sub-chapter variable was the width parking area and the availability bench influenced honey consumer decision with the score average 3.5. There were 40% respondents agreed that wide parking area and the well security would influence honey consumer decision and there were 42.22% respondents agreed that well honey outlet and complete facilities, wide and comfortable waiting room would affect honey consumer decision in table 3.

Table 3. Location effect on purchase decision

Indicator	VA		A		Do		Di		VD		Average
	f	%	f	%	f	%	f	%	f	%	
Location (x3.1)	33	18,33	85	47,22	43	23,89	17	9,44	2	1,11	3,7
Hygiene (x3.2)	33	18,33	94	52,22	34	18,89	18	10,00	1	0,56	3,8
Parking area (x3.3)	29	16,11	72	40,00	50	27,78	21	11,67	8	4,44	3,5
Bench (x3.4)	30	16,67	76	42,22	37	20,56	36	20,00	1	0,56	3,5

### 3.4 Promotion Effect on Consumer Decision

The assessment on place variable consisted of four sub chapter variables. The first most dominated sub chapter variable based on the respondents' answer was the promotion sales with the score average 4.0 that was 46.11% respondents agreed that promotion from sales which was given by store or seller that was various would affect honey consumer decision. The second sub chapter variable was the information from mouth to mouth about honey product with average score 3.8. As much as 51.11% respondents agreed that the information result and the promotion about honey product would affect honey consumer decision. The third sub chapter variable was the individual sales directly with average score 3.5 that was 46.67% respondents were doubt and 41.67% respondents agreed with the individual sales directly would affect honey consumer decision. The fourth sub chapter variable was good public relation with average score 3.4. As much as 42.22% respondents agreed that good public relation form honey sales would affect honey consumer decision.

Table 4. Promotion Effect on Consumer Decision

Indicator	VA		A		Do		Di		VD		Average
	f	%	f	%	f		f	%	f	%	
sales promotion (x4.1)	48	26,67	83	46,11	42	23,33	6	3,33	1	0,56	4,0
Information (x4.2)	30	16,67	92	51,11	51	28,33	7	3,89	0	0,00	3,8
Individual sales (x4.3)	11	6,11	75	41,67	84	46,67	10	5,56	0	0,00	3,5
Public relation (x4.4)	13	7,22	76	42,22	69	38,33	22	12,22	0	0,00	3,4

### 3.5 Purchase Decision

The assessment on place variable consisted of four sub chapter variables. The first most dominated sub chapter variable based on the respondents' answer was the recommendation of honey purchase with the average score 3.6 with 55.56% respondents agreed would recommend their family to buy honey. The second sub chapter variable was the number of honey purchase and the product usage similarity with the average score 3.5. As much as 47.22% respondents agreed that number honey purchase would affect honey purchase decision because the consumer often did purchase namely three times in two months to be consumed as the stamina addition. As much as 54.44% respondents purchasing honey 2-3 times in a month because they were suitable with the special qualities in honey. The third sub chapter variable was the frequency of honey purchase with the average score 3.3. As much as 33.33% respondents were doubt and 32.22% respondents agreed that frequency of honey purchase in certain time would affect the consumer decision.

Table 5. Purchase Decision

Indicator	VA		A		Do		Di		VD		Average
	f	%	f	%	f		f	%	f	%	
Purchase frequency (x5.1)	20	11,11	58	32,22	60	33,33	31	17,22	11	6,11	3,3
Purchase number (x5.2)	20	11,11	85	47,22	47	26,11	24	13,33	4	2,22	3,5
Recommendation (x5.3)	14	7,78	100	55,56	43	23,89	20	11,11	3	1,67	3,6
Similarity (x5.4)	13	7,22	98	54,44	39	21,67	28	15,56	2	1,11	3,5

### 3.6 The result of factor analysis

Based on the result of factor analysis that had been conducted showed that from 27 variables could form 7 factors, as in the table 6.

Table 6. The Result of Statistic Analysis Test

Explanation	Factor Loading						
	1	2	3	4	5	6	7
Factor 1 : kind of honey, wrapping information, price and location distance							
X1.13 kind of honey	0,401						
X1.21 wrapping information	0,439						
X1.23 price	0,685						
X1.27 location distance	0,561						
Factor 2: brand and reached price							
X1.11 brand		0,489					
X1.12 the reason of buying the brand		0,557					
X1.25 reached price		0,514					
Factor 3: size, price by bottle and reason of buying							
X1.14 bottle size			0,603				
X1.24 price by size			0,528				
X1.26 reason of buying honey			0,367				
Factor 4: reason of consuming honey, location selection, and information source							
X1.10 reason of consuming honey				0,460			
X1.18 location selection				0,442			
X1.20 information source				0,281			
Factor 5: bottle form and viscosity							
X1.16 bottle shape					0,582		
X1.22 viscosity					0,447		
Factor 6: honey purchase by month and wrapping material.							
X1.9 honey purchase by month						0,446	
X1.15 wrapping material						0,348	
Factor 7: the place of buying honey and honey taste							
X1.17 honey product store							0,405
X1.19 honey flavor							0,463
% Variance	10,850	9,321	7,853	7,271	7,118	6,386	5,590

### 3.7 Model Specification

Double linear regression test is a statistical analysis which is conducted to know there is an influence both two and more than one independence variables on dependence variable (Sugiyono, 2007). Honey purchase decision (Y) while the independence variable was the factors that influenced decision based on mix factor. Double linear regression test is a statistical analysis which is conducted to know there is an influence both two and more than one independence variables on dependence variable. The result of double linear regression can be seen on table 7.

Table 7. The result of marketing double linear regression test. The result of double linear regression test (see table 7).

Index	Beta coefficient
Constanta	79,126
Factor 1 : kind of honey, wrapping information, price and location distance	-0,272
Factor 2: brand and reached price	0,026
Factor 3: size, price by bottle and reason of buying	0,161
Factor 4: reason of consuming honey, location selection, and information source	0,015
Factor 5: bottle shape and viscosity	0,054
Factor 6: honey purchase by month and wrapping material.	-0,115
Factor 7: honey product store and honey flavor	-0,191
Sex	-0,065
Age	-0,014
Education	-0,038
Occupation	0,053
Note: R Square = 0,137 Adjusted R square = 0,081 F count = 2,434	

### 3.7.1 Kinds of honey, wrapping information, price, and location distance

Variable coefficient of kinds of honey, wrapping information, price and location distance affected on purchase decision as much as -0.272. Kinds of honey which was various from many kinds of flower nectar became many options to be bought by consumers based on the needs. The product clearness information in the wrapping either kinds of honey or others which was needed by the consumer. Reached price and purchase location distance was still considerable. The result showed that hypothesis 1 about product, hypothesis 4 about promotion, hypothesis 2 about price and hypothesis 3 about place would give positive affect which can be accepted.

### 3.7.2 Brand and reached price

Coefficient of honey purchase by month and wrapping material variable gave a positive effect on the purchase decision as much as 0.026. Brand of product and reached price was still considerable for the consumer to buy a product. The result showed that hypothesis 1 and 2 would give an accepted positive effect.

### 3.7.3 Size, price by bottle size and the reason of buying honey

Coefficient of size, price by bottle size and the reason of buying honey variable gave a positive effect on purchase decision as much as 0.161. The counting result on this variable significantly gave an effect on honey purchase decision as well. Wrapping size and the suitability between the content, price, and reason of buying honey became the important factor because the consumers would buy honey as their needs. The result showed that hypothesis 1 and 2 would give an accepted positive effect.

### 3.7.4 The reason of consuming honey, location selection, and information source

Coefficient of the reason of consuming honey, location selection, and information source variable gave a positive effect on purchase decision as much as 0.015. This showed that the reason of buying honey was a factor that should be given attention, so the consumer needed good and exact information, thus wherever the products were, the consumer would need them. The result showed that hypothesis 1, 3 and 4 would give an accepted positive effect.

### 3.7.5 Bottle shape and viscosity

Coefficient of bottle form and viscosity variable gave a positive effect on the purchase decision as much as 0.054. This showed that the good and interesting wrapping and honey viscosity became one of the consumers' reasons of buying honey. The result showed that hypothesis 4 and 1 would give an accepted positive effect.

### 3.7.6 Honey purchase by month and wrapping material

Coefficient of honey purchase by month and wrapping material variable gave a positive effect on purchase decision as much as 0.115. This showed that honey purchase by month was still considerable for the consumers. Honey purchase in the tour destination which was so far from the hometown would be the consumers' consideration. Most of frequency of honey purchase was 1 up to 2 times in a month. Wrapping material would affect honey product quality in keeping the honey quality so it could keep honey quality in long term. The consumers who were the visitors of tour destination needed good wrapping and easy to carry and also safety during the journey. The result showed that hypothesis 3 and 1 would give an accepted positive effect.

### 3.7.7 Honey product store and honey flavor

Coefficient of honey purchase by month and wrapping material gave a positive effect on the purchase decision as much as 0.119. The honey product store was one of reference from consumers in buying honey, the right place to

buy honey would get the best honey as the consumers' choice. The consumers could choose honey flavor as their desire. The result showed that the hypothesis 3 and 1 would give an accepted positive effect.

#### 3.7.8 Gender

Coefficient of sex variable gave a positive effect on the purchase decision as much as -0.065. The result showed that the needs of nutrition value of each different sex gave an effect on the purchase decision.

#### 3.7.9 Age

Coefficient of age variable gave a positive effect on purchase decision as much as 0.014. The different ages needed different nutrition, when someone is mature, the nutrition needs are higher as well until in the certain ages. Productive age will need more nutrition in order to add the stamina or keeping body health to be more creative.

#### 3.7.10 Education

Coefficient of education variable gave a positive effect on the purchase decision as much as 0.038. Someone's knowledge stage was affected by education, someone who has more knowledge concern choosing foods with the good quality.

#### 3.7.11 Occupation

Coefficient of occupation variable gave a positive effect on purchase decision as much as 0.053. Occupation would determine the income stage, someone with good income would concern choosing foods which could support the body to work harder.

### 4. Conclusion and Recommendation

1. Consumers' characteristic on honey purchase was dominated by female were 31-40 years old as the employee with the education background was senior high school.
2. The factors which affected honey purchase decision based on the priority of "product", "price", "store", and "promotion"
3. The factors which affected honey purchase decision were size variable, price by bottle size, and reasons of buying honey.

Based on the research result could be recommended that for each honey outlet should keep the product quality and the price suitability of each wrapping and service for the consumers, so the consumers can be the loyal customer.

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