

Products, Prices, Locations, and Promotions and Their Effects on Auction Purchase Decisions

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ARTICLE INFO

Article history:

Received

Revised

Accepted

JEL Classification:

Key words:

Marketing Mix, Product, Price, Place, Promotion, Auction Decision

DOI: 10.6084/m9.figshare.9810686

ISBN: 978-623-92358-0-2

ABSTRACT

This study aims to determine the effect of marketing mix factors, namely variable product, prices, place, and promotions simultaneously and partially influence the decisions in purchasing by auction. Population is all auction buyers who participate in and register in the auction at KPKNL Jember. The number of samples studied was 50 people. The sampling technique that used in the study was using the Nonprobability Sampling technique with the Quota Sampling technique. The method of data analysis uses multiple linear regression analysis. Based on the results of the analysis, it can be concluded that the marketing mix variables simultaneously have a significant effect on purchasing decisions by auction. While partially the price and location variables significantly influence the purchase decision by auction.

ABSTRAK

Penelitian ini bertujuan untuk mengetahui pengaruh faktor bauran pemasaran yaitu variabel barang, harga, lokasi, dan promosi secara simultan dan parsial mempengaruhi keputusan dalam pembelian secara lelang. Populasi adalah seluruh pembeli lelang yang mengikuti dan mendaftar dalam pelaksanaan lelang di wilayah kerja KPKNL Jember. Jumlah sampel yang diteliti sebanyak 50 orang. Teknik pengambilan sampel yang digunakan dalam penelitian adalah menggunakan teknik Nonprobability Sampling dengan teknik Quota Sampling. Metode analisis data menggunakan analisis regresi linier berganda. Berdasarkan hasil analisis dapat disimpulkan bahwa variabel bauran pemasaran (4P) secara simultan berpengaruh signifikan terhadap keputusan pembelian secara lelang. Sedangkan secara parsial variabel harga dan lokasi berpengaruh secara signifikan terhadap keputusan pembelian secara lelang.

1. INTRODUCTION

Currently we often hear sales transactions through auctions. Sales with an auction mechanism are actually nothing new in Indonesia, the auction was officially entered into legislation since 1908. KPKNL Jember is one of the Operations Offices under the auspices of the DJKN in the East Java region which also carries out the duties and functions of carrying out auction services. Since 2014 until 2018, the target of the main achievement of the Jember KPKNL auction has never been calcified and the number of auction frequencies is smaller than the TAP auction. Based on the above, the author really wants to do research related to "Products, Prices, Place, and Promotions and Their Effects on Auction Purchase Decisions (Case Study at the KPKNL Jember)". The purpose of this study is to deter-

mine the effect of marketing mix factors in the form of products, prices, place, and promotions simultaneously and partially affect the purchase decisions in auction.

2. THEORETICAL FRAMEWORK AND HYPOTHESES

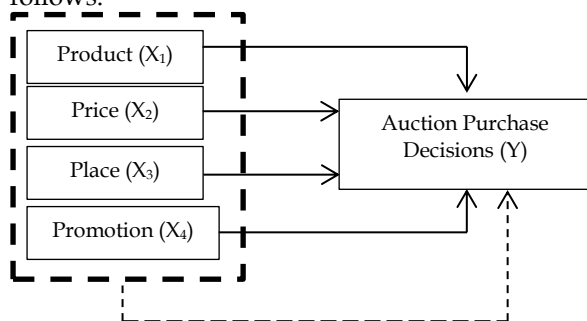
Sumarmi and Soeprihanto (2010: 274) explain, Marketing Mix is a combination of variables or activities that are the core of the marketing system, namely products, prices, promotions, and place. In other words, the Marketing Mix is a collection of variables that can be used by companies to influence consumer responses. So the elements of the marketing mix consist of products, prices, promotions, and place.

Many previous studies have been carried out by researchers using the same variables as

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this study. Novitasari, Kantun, Umar, in 2014, conducted their research with the title "The Influence of Marketing Mix on Decisions on the Purchase of Type 36 Simple Houses in Taman Gading Jember Housing Through Bank Muamalat KPR Facility" where the results showed that the marketing mix had a significant influence on decisions the purchase of type 36 simple houses is 79.8%, while the remaining 20.2% is influenced by other independent variables which are not examined, namely physical evidence and income level. While the research from Algrina Agnes Ulus (2013), with the title "Marketing Mix Influence on Daihatsu Car Purchase Decisions at PT Astra Internasional Manado" with the results of simultaneous product, price, place, and promotion significantly influence purchasing decisions at PT. Astra Manado, and partially products, prices, places and promotions also have a significant effect on purchasing decisions.

The conceptual framework in this study is as follows:



Information:

Relationship of Simultaneous : ----->

Relationship of Partial : ----->

In this study, X_1 variables are products, X_2 namely price, X_3 namely place, X_4 which is promotion, while variable Y is a purchase decision by auction. To find out the purchasing decision by auction, there is no standard that has been used as a guideline, because purchasing decisions are relative and the expectations of each buyer of the auction object are different. But empirically, purchasing decisions by auction can be understood using 4P in the marketing mix, namely, product, price, place, and promotion.

3. RESEARCH METHOD

The research was conducted at KPKNL Jember which was held from February to March 2019. The population was all auction buyers who had participated in the auction in the Jember KPKNL working area. The number of samples studied was 50 people obtained from the number of sample members at least 10 times the number of variables studied According to Roscoe in

Sugiyono (2015: 90). The sampling method used in the study was using the Nonprobability Sampling technique with the Quota Sampling technique. The method of data analysis uses multiple linear regression analysis. This study uses a type of descriptive research.

The variables to be analyzed in this study are the independent variables namely products (X_1), price (X_2), place (X_3), promotion (X_4) and the dependent variable is the purchase decision by auction (Y). The method of data collection in this study in the form of questionnaires, interviews, observations (observations), documentation, and literature. The analytical tool used in this study is in the form of multiple linear regression using the SPSS 24 program.

4. DATA ANALYSIS AND DISCUSSION

Based on the results of the study the respondents' characteristics dominated male as much as 78%. Based on age as much as 32% is dominated by respondents aged 31-40 years. Based on work dominated by civil servants/military/police as much as 34%. Based on the type of object auction in the form of land and/or building dominating as much as 68%.

4.1. Instruments Data Test

4.1.1. Validity Test

Validity test is done by correlating between the questions in the total score (Sanusi, 2014: 77). The validity test used to find the correlation value is the Pearson Product Moment correlation formula. The value of r obtained is compared with the value of r table with free degrees ($n-2$). If the r value of the calculation results is greater than the r table value then it means significant and it can be concluded that the question item is valid.

Based on the results of the overall statement in each variable, the value of $r_{count} > r_{table}$, it can be stated that the whole variable is declared valid.

4.1.2. Reliability Test

Reliability is a measuring device that shows the consistency of measurement results (Sanusi, 2014: 80). Calculation of reliability is carried out on valid questions where the method used to calculate the reliability of the instrument is by measuring the halves. The total score of the two halves is correlated with product moment correlation. Furthermore, with the product moment correlation coefficient generated, it is entered into the Spearman-Brown formula. The correlation coefficient results from the calculation are then compared with the r value in the table. Where if the correlation coefficient is calculated than the r value in the table, then the reliability test is significant in other words the research

instrument is reliable.

Based on the results of the overall study of variables, the correlation coefficient calculated $> r_{table}$, then the reliability test of each variable is significant in other words a reliable research instrument.

4.2. Classical Assumption Test Analysis

4.2.1. Normality Test

The normality test conducted by researchers using graph analysis can be done by looking at a normal plot / scatterplot graph. Where if the data spreads around the diagonal line and follows the direction of the diagonal line or the histogram graph shows a normal distribution pattern, then the regression model meets the assumption of normality (Ghozali, 2016; 156).

Based on the results of the study with a normal plot / scatterplot graph that the point spreads around the diagonal line and follows the direction of the diagonal line on the histogram graph, this indicates that the pattern is normally distributed. So it can be concluded that based on the P-P chart plot, the data is normally distributed.

4.2.2. Multicollinierity Test

A good regression model should not have a correlation between the independent variables. To test multicollinearity is done by looking at the Variance Inflation Factor (VIF) value of each variable from the analysis results. If the tolerance value is greater than 0.10 and VIF is smaller or less than 10, it can be concluded that the data is free from symptoms of multicollinearity (Ghozali, 2016; 104).

Based on the results of the study that the tolerance value for each independent variable is greater than 0.10 and the VIF value is less than 10, it can be concluded that the data is free from the symptoms of multicollinearity.

4.2.3. Heteroscedastycity Test

Heterokedacity test is used to determine whether or not there is a classic assumption of heteroscedasticity deviation, namely the existence of variance of residual inequality for all observations in the regression model (Firdaus, 2019: 224). The test in this study uses the graph plot method between the predictive value of the dependent variable, ZPRED and the residual SRESID. Heteroscedasticity does not occur if there is no clear pattern, and the points spread above and below the number 0 (zero) on the Y axis.

Based on the results of the study with a plot / scatterplot graph, showing no clear pattern, and the points spread above and below the number 0 (zero) on the Y axis, it can be concluded that heteroscedasticity does not occur.

4.3. Analysis of Multiple Linear Regression

To find out how much influence the independent variables namely product (X_1), price (X_2), place (X_3), and promotion (X_4) on the dependent variable is the purchase decision through auction (Y).

Based on the results of the study obtained the results of multiple linear equations are as follows:

$$Y = -0,011 + 0,042X_1 + 0,388X_2 + 0,376X_3 + 0,212X_4 + e$$

From the regression equation above can be explained as follows:

- Constants of -0,011 means that if there is no item variable products (X_1), price (X_2), place (X_3), and promotion (X_4), the decision on purchase by auction (Y) will decrease.
- The independent variable has a positive value, this means that each of the independent variables even though in the absence of other independent variables (4P) still has an influence on the dependent variable, namely the purchase decision by auction (Y).

4.4. Coefficient of Determination (R^2)

The coefficient of determination R^2 is used to measure how far the ability of the model in explaining the variation of the dependent variable. The coefficient of determination is between zero and one. The closer R^2 is to number one, the more suitable the regression line is to predict Y (Firdaus, 2019: 123)

Based on the Determination Coefficient Test Result (R^2), the Adjusted R Square value of 0.707 is obtained where the R^2 value close to one thing means that the product (X_1), price (X_2), place (X_3), and promotion (X_4) influence the purchase decision by auction. (Y) of 70.7% and the remaining 29.3% is explained by other variables.

4.5. Hipotesis Test

4.5.1. Simultaneous Significance Test

The F statistic test is used to find out whether all the independent variables included in the model affect together (simultaneously) the dependent variable (Ghozali, 2016; 96). In this test using a significance level (α) of 5% or 0.05, the testing criteria for the F statistical test are if the value of $F_{count} > F_{table}$ value, then all independent variables (4P) simultaneously affect the dependent variable.

Based on the results of the study, it was found that the F_{count} value was 30,523. based on table F for the value of F_{table} with a significance level (α) of 5% is 2.56. Because $F_{count} > F_{table}$, it can be concluded that all marketing mix independent variables (4P) simultaneously have a significant effect on the dependent variable (purchase decision).

4.5.2. Individual Parameter Significance Test

The purpose of the partial test (t test) is to find out how far the influence of one independent variable individually (partial) in explaining the variation of the dependent variable (Ghozali, 2016; 97). With a significance level (α) of 5% or a confidence level of 95%, the test criteria for t test are if the significance level is $\leq 5\%$ or $t_{\text{count}} < t_{\text{table}}$ or $t_{\text{count}} > t_{\text{table}}$, then an independent variable partially/each influences the dependent variable.

Based on the results of calculations obtained that the independent variables in the form of products and promotions produce sig values of 0.703 and 0.245 and $t_{\text{count}} < t_{\text{table}}$ respectively, so it can be concluded that partially the two variables do not significantly influence the purchase decision by auction with. While the independent variables in the form of prices and locations produce sig values of 0.001 and 0.039 and $t_{\text{count}} > t_{\text{table}}$, so that partially the two variables significantly influence the purchase decision by auction.

4.6. Discussion

Based on the results of the analysis that has been done to determine the effect of the marketing mix (products, price, place, and promotion) on purchasing decisions by auction, it can be seen that in general this study shows the results of the respondents' assessment of the variables of this study are generally good. This is indicated by the number of respondents who gave an agreed answer to the conditions of each research variable.

Based on the results of the above research, it can be concluded that all marketing mix independent variables (4P) simultaneously have a significant effect on the dependent variable (purchase decision by auction).

Partially, the factors of products and promotion factors have no significant effect on purchasing decisions by auction. Based on the results of interviews with interested parties, the product become variables that have no significant effect because the auction buyers attend the auction due to the auction object having historical value with the auction buyer (such as the auction object is the auction/family buyer, the auction object is owned and maintained by auction buyers). In addition, many people still think that the items being auctioned are items that are problematic, worthless, and damaged.

While the price and location factors partially have a significant effect on purchasing decisions by auction. Based on the results of interviews with interested parties, the price factor is the main factor in making purchasing decisions by auction

because the selling value of product is below the market value.

5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

5.1. Conclusion

The conclusions of this study indicate that simultaneous purchasing decisions by auction are influenced by variables of products, price, place, and promotion. While partially only the price and location variables that have a significant effect on purchasing decisions by auction.

5.2. Implication

The implication in this study is that in the future KPKNL Jember can increase widespread dissemination so that the public understands auction and places auction announcements in locations that are easily seen by the public at large, so that more auction participants can participate. In addition, Jember KPKNL can also carry out promotions through mass media (newspapers, TV, radio) and social media (Instagram, Facebook, Twitter, etc.)

5.3. Suggestion

Suggestions for research subjects, can further increase the marketing mix, especially the price and place of the auction, for example auction prices can be made cheaper by considering deduction in auction objects, conducting auctions in public places or crowded places such as markets, squares, etc. This is done while promoting and introducing the auction to the general public who are unfamiliar with auctions.

Suggestions for future researchers, so that in the next research do research with more marketing mix variables such as additions to the variable people, physical environment, process and other relevant.

5.4. Limitations

Based on the research there are several limitations of the study including respondents surveyed only limited to the KPKNL Jember work area, the marketing mix variables used were only 4 variables, namely products, prices, place, and promotion.

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