

The Influence of Marketing Mix on Subsidised Kpr House Buyer Satisfaction With Buyer's Value As A Mediation Variables

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Abstract

This study analyzes whether the 7p marketing mix variable (product, price, location, promotion, physical evidence, people, and Process) on buyer satisfaction and buyer value. This study also aims to determine whether the variable buyer value can mediate between the marketing mix and buyer satisfaction. The data source used is primary data by distributing questionnaires to subsidized housing mortgage buyers. This study uses the Standard Equation Model (SEM).

Estimation results show that the marketing mix variable and buyer value positively and significantly affect buyer satisfaction. And the variable buyer value can mediate the marketing mix and buyer satisfaction variables. With probability = 0,000 ($p < 0.05$) marketing mix to buyer satisfaction obtained CR = 3.973, and CR = 7.791 to the value of the buyer.

Keywords: *Marketing Mix, Buyer Value, Buyer Satisfaction, KPR house, SEM.*

INTRODUCTION

The house is one of the primary needs needed by humans. In its development, the house functions as a place to stay and has become a means of investment. In addition, the increasing population is a factor that drives the growing demand for housing.

Simple houses are increasingly in demand by the community because of the ease of payment and the quality that continues to be improved every year. Simple housing developers are increasingly competitive in offering their home products by innovating the structure and quality of buildings. Besides that, another way to do this is through promotional activities by giving a low down payment so that people are increasingly interested in buying the company's developer's product. The location of housing is also taken into account by buyers who want a strategic location and far from risks such as natural disasters or crime.

Buyers certainly expect the satisfaction that is created when using a house that has been purchased according to the price paid. Therefore the developer should think about buyer

satisfaction. The goal of a business is to create satisfied buyers. Every person or organization (company) must work with internal and external buyers to meet their needs in collaboration with internal and external suppliers to create buyer satisfaction.

PT. Arya Mandala Putra is one of the developers focused on the construction of subsidized housing in Lampung province. KPR subsidized housing loan (Housing Financing Liquidity Facility) is a government subsidy program to provide housing finance with housing finance liquidity facilities for all Indonesian people with low-interest rates and low installments.

Marketing strategy is an important indicator of winning the competition. (Goi, 2009) pointed out that the main reasons that the marketing mix is a powerful concept are: It makes marketing seem easy to handle, allows the separation of marketing from other activities of the firm and the delegation of marketing tasks to specialists; and –The components of the marketing mix can change a firm's competitive position. The marketing mix concept also has two important benefits. (Cengiz & Yayla, 2007) also asserted that the Marketing Mix is a term used to describe the combination of tactics used by a business to achieve its objectives by marketing its products or services effectively to a particular target customer group.

LITERATURE REVIEW AND HYPOTHESES

The marketing mix is part of the marketing concept, which has an important role in influencing buyers to buy the products or services offered. Marketing mix strategies that can be implemented consist of 7Ps marketing mixes— product, Price, Place, Promotional, people, Physical evidence, and Process. According to Singh (2016), marketing is a complex range of marketing mix solution variables used in the company seeking to sell their goods and services. In line with the development of the business world and competition demands, the marketing mix strategies applied are varied and increasing. This is intended to provide satisfaction to consumers and competitiveness (Remeira, Marcus, 2005).

The formulation of a marketing mix depends on the nature of the organization's activities and the nature of the



targeted market. It must be put together in such a way as to enable the organization to meet its customers' needs and wants (Sashi, 2012). The marketing mix concept works as a tool used by an organization to survive in a competitive environment. This concept is controlled by the organization and comprises four elements—product, price, place, and promotion (Owomoyela, Oyeniyi, & Ola, 2013). (Muala & Qurneh 2012) Adding three more elements has explained seven elements: their 7Ps i.e. product, price, place, promotion, Personnel, Process, and. Physical Evidence. Customer Value is the customer "s perception of the offered quality. The higher perception of competitors will influence the customers" Satisfaction level.

The higher perception that a customer has, the more likely an agreement will take place. (Hasibuan, 2015) defines value concept as the differences between all related benefits and sacrifices. The expert's point of view reflects the importance of services. Social Psychological Interactions is a customer" alternative. Satisfaction is the level of feeling where a person states the results of the comparison of the performance of the product (service) received and expected (Liu Mei, 2005).

Research Hypothesis:

H1: The marketing mix variable influences the buyer satisfaction variable.

According to (Devila 2017), the marketing mix has a positive and significant buyer satisfaction and Marketing mix - certain actions and decisions aimed at the company's goals and meeting the customer needs. In these modern times, the company operates in a constantly changing environment. To successfully set up and remain profitable, it is necessary to provide services that can meet customers' needs. To this end, the marketing experts who are constantly monitoring the environment and its changes can properly respond and adapt to them. Businesses are very important for users whose desires should be satisfied. (Margarita,2016)

H2: The marketing mix variable influences the buyer value variable.

Marketing Mix influences buyer Value. This is based on (Hasibuan 2015) Marketing Mix has a significant influence on Buyer Value , which means that the sufficient performance of Marketing Mix has influenced Buyer Value. Yuan and Lin (2004) argued that the more companies join the social network, the more bargaining power they have. For each customer, buying an item which is a good product for the price can give him/her pleasure, and engaging in the Process can help him/her to feel acceptable.

H3: Buyer value variables influence buyer satisfaction.

The buyer value's proposed relationship upon buyer satisfaction is supported by value disconfirmation experience (Hellier et al. 2003). The authors point out that "when a

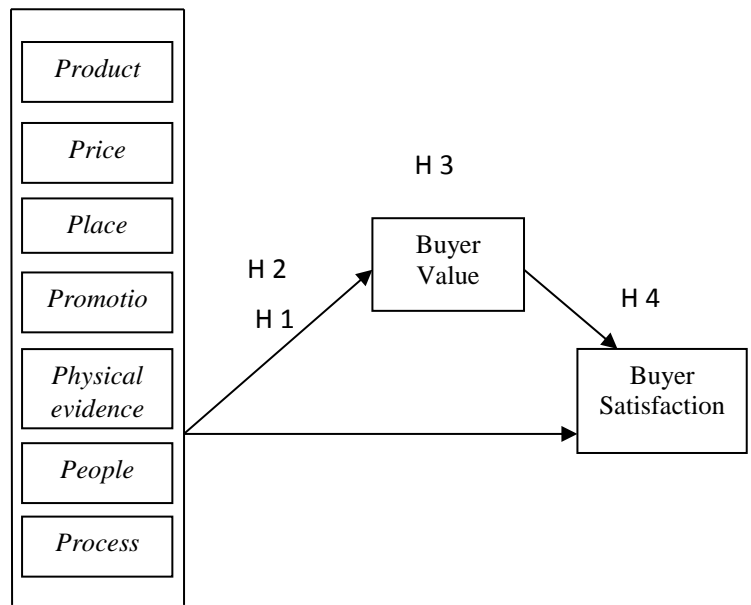
single purchase of a product or service is made, the customer expects to receive value. If anything happens after purchase that unexpectedly reduces or increases the cost incurred or benefit received, the perceived value is altered. The customer becomes less or more satisfied, which in turn influences

H4: Buyer value mediates the marketing mix with buyer satisfaction.

According to Wahyuningsih's (2005) research, the marketing mix's indirect effect is greater than the direct effect on buyer satisfaction, which means that there is a mediation between the marketing mix and buyer satisfaction due to buyer value. Value for buyers can be created through the company's marketing attributes that can be stimulation elements for companies to influence buyers in purchasing (Sa'eed, 2012). If purchases made can meet the needs and desires or provide satisfaction, then satisfied buyers will convey a sense of satisfaction to others, either in the form of stories (word of mouth) or provide recommendations.

To provide satisfaction to home buyers, various marketing strategies are needed. One of them is the strategic marketing mix. The strategy marketing mix is one that is implemented by PT. Arya Mandala Putra to provide satisfaction to buyers of subsidized home buyers in South Lampung.

Based on these explanations, the framework used is as follows:



RESEARCH METHOD

Researchers use quantitative research procedures and then test the relationship between the variables Function Value (X), Marketing Mix, Buyer Value (Z), and Buyer Satisfaction (Y) with statistical testing.

This study's population were all family heads who inhabited Permata Asri I and II Housing, totaling 500 units. Research conducted in this study uses data obtained from sources, the first source of researchers' data. According to Sugiyono (2017: 137), primary data is a data source that directly provides data to the data collector. In this case, researchers obtained data by distributing questionnaires in a manner straight away.

The data analysis technique used in this study is the SEM (method Structural Equation Model). According to Ferdinand (2011: 70), SEM is a data analysis tool or technique that consists of two primary stages: stage measurement model (measurement model) through Confirmatory Factor Analysis and structural equation models. The main objective is to test the suitability of the model (fit) with valid data. SEM only uses input data in the form of a variant or covariance matrix or matrix. While the model estimation technique used is maximum likelihood estimation with the AMOS program. When the model has been accepted, it can be considered to do a modification of the model to improve the theoretical explanation or goodness of fit.

RESULTS AND DISCUSSION

Results

Based on the results of the calculation of the number of samples of 400 respondents. The distribution of questionnaires was carried out from June 15, 2019, until January 22, 2020. Following the results of the distribution of questionnaires:

Category	Amount	Percentage
Gender		
Female	42	13%
Men	281	87%
Amount	323	100.00%
Age		
<20 years	0	0%
21-30 years	121	37.46%
31-40 years	167	51.70%

> 41 years	35	10.84%
Amount	323	100.00%
Work		
Civil Servant	41	12.69%
Private Employees	174	53.87%
Housewife	31	9.60%
Self-employed	77	23.84%
Amount	323	100.00%

Structural Equation Modeling (SEM)

This test will evaluate whether the resulting model is a model fit or not. After estimating the structural model, the following calculation results are obtained:

Goodness of Fit Index	Cut of Value	Results	Model Evaluation
Chi-Square	expected to be small	102,228	Good
Probability	> 0.05	0.060	Good
GFI	> 0.90	0.867	Marginal
AGFI	> 0.90	0.850	Marginal
IFI	> 0.90	0.982	Good
TLI	> 0.90	0.971	Good
CFI	> 0.90	0.982	Good
NFI	> 0.90	0.780	Marginal
RMSEA	<0.08	0.060	Good

The overall model fit test results, 3 GOF sizes are indicating a moderate (marginal), and 5 GOF sizes show a (good fit), so it can be concluded that the overall fit of the model is good (good fit).

Hypothesis Test Results

Remarks	Est	SE	CR	P	Results of
BS ← MM	0.207	0.052	3,973	***	Accepted
BV ← MM	0.755	0.097	7,791	***	Accepted
BS ← BV	0.589	0.028	21,36	***	Accepted

DISCUSSION

Hypothesis 1

Parameter estimated relationship between applying the Marketing Mix to Buyer Satisfaction is 0.207. Testing the relationship between the two variables shows the value of CR = 3.973 with a probability = 0.000 (p <0.05). So it can be concluded that the variables marketing mix (product, price, location, promotion, physical evidence, people, and Process) affect the variable of customer satisfaction. Thus hypothesis 1 is accepted.

Hypothesis 2

The relationship between the application of the Marketing Mix to the Buyer Value is obtained at 0.755. Testing the relationship between the two variables shows the value of CR = 7.791 with a probability = 0,000 (p <0.05). So it can be concluded that the variable marketing mix (product, price, location, promotion, physical evidence, people, and Process) influences the variable buyer value. Thus hypothesis 2 is accepted.

Hypothesis 3

The estimated parameter relationship between the value of the buyer and the Buyer Satisfaction is 0.589. Testing the relationship between the two variables shows the value of CR = 21,365 with a probability = 0,000 (p <0.05). So it can be concluded that the variable buyer value affects the satisfaction of purchase. Thus hypothesis 3 is accepted.

Hypothesis Testing 4

Parameter estimating the relationship of buyer value mediates the variable marketing mix (product, price, location, promotion, physical evidence, people, and Process) with the variable of buyer satisfaction :

Total Effects and Indirect Effects Results

Total Effects		
	MM	NP
NP	,755	,000
KP	,651	,589
Indirect Effects		
	MM	NP
NP	,000	,000
KP	,444	,000

Seeing the results of the indirect effect of 0.444 > 0.207, namely the direct effect and the total effect of 0.65 > 0.443, it can be interpreted that the buyer value becomes a variable that mediates the relationship between the marketing mix and buyer satisfaction.

CONCLUSIONS

1. Based on the test results, it is evident that there is an effect of the application of marketing mix variables on satisfaction, so the hypothesis which states that "variables marketing mix (product, price, location, promotion, physical evidence, people, and Process) influence the satisfaction, variable buyer, "accepted.
2. Based on the test results, it is evident that there is an effect of the application of marketing mix variables on the value of the buyer, so the hypothesis stating that "variables marketing mix (product, price, location, promotion, physical evidence, people, and Process) influence on variable buyer value, "accepted.
3. The study results prove that there is an influence of the buyer's value on the buyer's satisfaction, so the hypothesis that states that "the variable value of the buyer influences the satisfaction of the purchase" is accepted.
4. The results prove that the buyer value variable mediates the variable marketing mix (product, price, location, promotion, physical evidence, people, and Process) with the variable buyer satisfaction. The hypothesis is accepted.

Based on respondents' answers, there are still answers that disagree on housing products in terms of design, so the researchers submit suggestions to PT. Arya Mandala Putra, among others, is the marketing mix for housing products to be more varied in building designs and colors. This is expected to create a beautiful and attractive appearance. Second, every employee of PT. Arya Mandala Putra is always responsive to all the needs of prospective buyers more quickly and precisely, both in providing the assistance needed, especially for prospective buyers who find it challenging to find housing products to get satisfaction with the services provided.

They are considering that the marketing mix plays an important role in shaping buyer value and satisfaction, the

management of PT. Arya Mandala Putra needs to increase the marketing mix, which consists of products, prices, locations, promotions, physical evidence, people, processes, partnerships, payments, and perceptions. PT. Arya Mandala Putra should pay attention to service quality activities that have been carried out to identify factors that can create customer satisfaction. Second, PT. Arya Mandala Putra is expected to make it easier for consumers to get housing loans and add public facilities and facilities to the Permata Asri I and II housing estates in South Lampung. These two statements are felt to be less than optimal in respondents' satisfaction.

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