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ANALYSIS OF MARKETING MIX ON PURCHASE DECISION OF THE BODY SHOP PRODUCT IN PEJATEN VILLAGE MALL OUTLET

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Abstract - This research is a quantitative descriptive research that aims to determine the effect of the marketing mix on purchasing decisions. The population in this research was consumers of The Body Shop in Pejaten Village Mall. The sample size was taken by 100 respondents, by accidental sampling method. Data collection is done through questionnaires. An analytical technique used is the method of analysis PLS (Partial Least Square). The results of this study show that the product and price have no significant influence on purchasing decisions. While promotion and distribution have a significant influence on purchasing decisions.

Keywords: marketing mix; Purchase Decision; PLS.

INTRODUCTION

Speaking about women, some things cannot be separated from the figure of a woman, which is beauty. The women are competing to get attractive looks, ranging from their efforts in dressing to doing body and facial treatments. Through cosmetics, women can fulfill their desire for beauty.

The cosmetics industry increasingly appears with various brands on the market. One of the cosmetics companies in Indonesia, The Body Shop, is a cosmetic product brand that carries a natural concept that has a target market share for the upper-middle class. In Indonesia, The Body Shop entered in 1992 under the retail company PT. Monica Green Lestari.

The Body Shop products are herbal-based beauty products that do not contain animals by using a minimum of chemicals in their products. For the price, The Body Shop products are quite expensive. In promoting its products, The Body Shop does by giving samples when purchasing other types of products, giving points for each product purchase, offering promotions through text messages to customers who are members, and granting vouchers. The Body Shop itself has never sold its products together in one place with other brand products, so consumers need to go to The Body Shop outlets to be able to see or buy their products.

Table 1. TOP Brand Data for Body Butter / Body Cream Products 2016 – 2018

| Brand            | 2016 | 2017 | 2018 |
|------------------|------|------|------|
|                  | TBI  | TBI  | TBI  |
| The Body Shop    | 21.7%| TOP  | TOP  |
| Wardah           | 10.5%| TOP  | TOP  |
| Oriflame         | 9.7% | -    | 16.8%| TBI  |
| Mustika Ratu     | 7.6% | -    | 12.5%| -    |
| Herborist        | 3.9% | -    | -    | -    |
| Bali Ratih       | -    | -    | -    | -    |
| Dove             | -    | -    | 11.7%| -    |

Source: www.topbrand-award.com

From the table above it can be seen that the sales of body butter/body cream of The Body Shop from 2016 amounted to 21.7%, decreased to 11.6% in 2017 and experienced an increase in 2018 to
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12.7%. The Body Shop experiences ups and downs, in contrast to other brands such as Wardah, Oriflame and Mustika Ratu, which are consistently increasing every year.

**Table 2. Number of Transactions Purchasing in The Body Shop Outlet Pejaten Village Mall in July, August, and September 2018**

| Month   | Number of transaction |
|---------|-----------------------|
| July    | 350                   |
| August  | 320                   |
| September | 300               |

*Source: The Body Shop Outlet Pejaten Village Mall*

Based on the table above, there were 350 purchases from The Body Shop outlet of the Pejaten Village Mall during July 2018, then there were 320 total purchase transactions in August 2018, and also there were 300 purchase transactions in September 2018.

From the table of the number of purchase transactions for The Body Shop Pejaten Village Mall outlet and the TOP Brand table, it can be concluded that there is a phenomenon or problem that occurs with The Body Shop. It can be seen from the percentage decrease in TOP Brand also there was a decrease in the number of transactions at the Pejaten Village Mall outlet.

**Objectives of the study**
1. To analyze the influence of the Product on purchasing decisions for The Body Shop product at the Pejaten Village Mall outlet.
2. To analyze the influence of Price on purchasing decisions for The Body Shop product at Pejaten Village Mall.
3. To analyze the effect of Promotion on the purchasing decisions of The Body Shop product at the Pejaten Village Mall outlet.
4. To analyze the effect of distribution on purchasing decisions for The Body Shop product at the Pejaten Village Mall outlet.

**Benefit of Research**
As a theoretical benefit, the results of this study are expected to add useful insight, especially regarding the marketing mix (product, price, promotion, and location) that can affect purchasing decisions. Furthermore, it can benefit as an application of knowledge that has been obtained from college with the reality and situation on the market in a study, especially in the field of marketing.

As a practical benefit, for the company of The Body Shop, the results of this study can be an input in the management of product factors, price, promotion, and also distribution to meet consumer expectations for the quality of The Body Shop products.

**LITERATURE REVIEW**

**a. Purchasing Decision**
According to Setiadi in Sangadji & Sopiah (2013), consumer decision making is an integrated process that combines knowledge to evaluate two or more alternative behaviors, and then choose one of them. According to Alma (2014), the process of purchasing decision is explained as follows:

1. **Need recognition**
   In the introduction of needs or the introduction of problems, then someone feels the stimulation to buy something. This stimulus can come from within (internal), for example, someone feels hungry, or because of encouragement from the outside (external), for example, want to treat a friend, or because of the encouragement of certain food advertising factors.

2. **Information Search**
   Searching for information about what to purchase, what model, where, etc., then someone is looking for information that can be obtained from personal sources such as family, friends, and neighbors. From commercial sources such as advertisements, salespeople, and see the displays.
From public sources such as mass media, newspapers, television, radio. Also from experience that we have used a product, or seen the product.

3. Evaluation of Alternatives

In this case, consumers have very different evaluations because it depends on the choice of product attributes, according to or not to their desires. Also, different consumers' level of fulfillment needs can still be postponed next time. Then the brand factor also determines the alternative, because there are consumers who are fanatical about a brand, it is difficult to switch to another brand. Finally, the customer's consideration is total satisfaction with the alternative he takes.

4. Purchase Decision

If the consumer makes a decision, then he will have a series of decisions regarding the type of product, brand, quality, model, time, price, method of payment, etc. Sometimes in this decision making, there are only other parties who give the final influence, which must be reconsidered, so that it can change the original decision immediately. A purchase decision is a decision as ownership of an action from two or more choices (Nusraningrum et al., 2019).

5. Post-purchase Behavior

This is largely determined by the consumer's experience in consuming the product that he bought. Whether he will be satisfied or disappointed, so it depends on the distance of expectations with the reality faced. Usually, the consumer's expectations are even greater, because hearing the seller's story or the comments of his friends about the product is very good. If it is not true, then he will be very disappointed. Therefore, it is not necessary for the seller to excessively stating the superiority of his product, so that the distance between expectations and reality experienced by consumers is not too far away, so that consumers feel satisfied, eventually establishing good relationships.

b. Product

Products are defined as anything that can be offered to the market to get attention, be bought, used, or consumed and that can satisfy wants or needs, according to Abdullah & Tantri (2013, p. 153).

Product definition according to Putri (2017) Product is anything (including physical objects, services, places, organizations, ideas, or personal) that able or can be offered by producers to be asked, sought, bought, used, or consumed by the market which meets their needs and desires.

Abdullah & Tantri (2013) conveys that product planners have to think about the products at three levels:

1. Core products
   The core product consists of services to solve the problem or core benefits that consumers look for when they purchase a product.
2. Actual products
   The actual product has five kinds of characteristics, which are the level of quality, nature, design, brand name, and packaging.
3. Additional products
   Product planning must arrange additional products around core products and actual products by offering additional services and benefits for consumers.

c. Price

According to Sumarwan (2015), price is one element of the marketing mix which is an exchange rate of goods and services expressed in monetary units. Prices also reflect the suitability of costs to get the value or benefits of goods and services purchased.

According to Jaiz (2015), prices describe the amount of money that must be spent by a consumer to get a product and the price should be affordable.

In pricing, according to Assauri (2014), some factors affect price determination directly, which are the price of raw materials, production costs, marketing costs, the existence of government regulations,
etc. The indirect but closely related factor in pricing is the price of similar products sold by competitors, the effect of prices on the relationship between substitute products and complementary products, as well as discounts for distributors and unique consumers. Visually and collectively, a brand image must represent all internal and external characteristics that can affect how a brand is perceived by the target market or customers.

d. Promotion

Priansa (2017) states that promotion is a company activity to introduce products and aims to attract consumers to purchase them. The company conducts it by persuading consumers to immediately make product purchase transactions.

According to Sitorus & Utami (2017) who convey that in setting a promotion strategy, the company divides promotions according to their mix. Promotion Mix or commonly called Promotional Mix consists of:

a. Advertising: a form of communication to the public, which aims to embed information by influencing consumers to create an impression and can satisfy the desires of consumers that can convey communication to consumers.

b. Sales Promotion: Sales techniques: Point-of-purchase, Coupons, Price-off Deals, Premium and Advertising Specialties, Contest and Sweepstakes (contests and sweepstakes), Sampling and Trial Offers (product sampling), Brand (Product) Placement, Rebates (rebates/offers of cash returns), Frequency (continuity), Event Sponsorship.

c. Personal Selling: included in the category of personal selling which are door to door selling, mail order, telephone selling, and direct selling.

d. Public Relations: Public relations programs are publications, important events, investor relations, exhibitions, sponsoring several events, and direct marketing.

e. Distribution

In general, distribution can be interpreted as a marketing activity that trying to facilitate the delivery of goods and services from producers to consumers (Putri, 2017). In the intensity of distribution, companies must decide the number of intermediaries used at each channel level. Three strategies can be used, namely:

1. Exclusive distribution. This includes a very limited number of intermediaries handling company goods or services. This strategy is carried out if the producer wants to maintain great control over the level of service and the results of services offered by the seller.

2. Selective distribution. This strategy is used by companies that are trying to get distributors.

3. Intensive distribution. In this strategy, the producer places as many goods and services as possible in the store with not a small number of stores. This strategy is important if potential customers need location convenience..

Furthermore, the relationship between each independent variable to the dependent variable can also be explained through several previous studies. According to Hanifaradiz and Satrio (2016), they state that the product has a significant and positive effect on the decision to purchase a Lifebuoy soap product in Surabaya. This result is strengthened by the research of Damanik and Oktafani (2017) which said that the product influences the purchasing decision of BLP cosmetics products.

Moreover, when related to price variables on purchasing decisions, in the research of Anindityo et. al. (2017) state that prices have a significant positive effect on the decision process for purchasing Kefir mask products. This result is reinforced by research conducted by Koestanti and Nainggolan (2015) which says that the price in the marketing mix has a significant effect on purchasing decisions for Oriflame cosmetics.

Then the relationship of promotion variables to purchasing decisions according to research by Damanik and Oktafani (2017) is said that promotion influences the purchasing decision of BLP
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While for the relationship of distribution variables to purchasing decisions, according to Damanik and Oktafani (2017) it is said that location/distribution influences the purchasing decision of BLP cosmetics products. Hanifaradiz and Satrio (2016) stated that the location had a significant and positive effect on the decision to purchase Lifebuoy soap products in Surabaya.

Source: data processed

Image 1. Framework

**Hypothesis**

Based on the formulation of the problem and literature review then we obtained the following hypothesis:

H$_1$: Products have significant influences on the purchasing decisions of The Body Shop products at Pejaten Village Mall outlet.

H$_2$: Price influences purchasing decisions on The Body Shop product at Pejaten Village Mall outlet.

H$_3$: Promotions have significant influences on the purchasing decisions on The Body Shop product at Pejaten Village Mall.

H$_4$: Distribution influences purchasing decisions on The Body Shop product at Pejaten Village Mall.

**METHODS**

The type of data used is quantitative data with primary data sources obtained from the distribution of questionnaires using a Likert scale given to 100 consumers who visited the outlet of The Body Shop Pejaten Village Mall.

**Population and Sample**

The population in this study were the consumers or visitors who visited The Body Shop Pejaten Village Mall outlet. In this study, the sampling technique used was nonprobability sampling. The sampling method used is an accidental sampling. Sources of data that are suitable as samples are consumers who visit The Body Shop Pejaten Village Mall. According to Roscoe in Ferdinand (2011, p.217) the sample size was determined 25 times the independent variable.

Based on these rules, a large number of sample members used is $25 \times 4 = 100$ respondents. So the number of samples taken was 100 respondents who visited The Body Shop outlet at the Pejaten Village Mall.
### Data analysis technique

The data analysis technique used in this study is descriptive analysis and inferential analysis with the support of analytical tools namely Partial Least Square (PLS).

Descriptive analysis was carried out to describe respondents' answers from various constructs that were developed. After conducted a descriptive analysis technique, then an inferential analysis was carried out which consisting of the validity test, the reliability test, the coefficient of determination test (R2) and the t test or hypothesis test.
RESULTS and DISCUSSION
Data Analysis and Hypothesis Test

According to Ghozali (2014) indicators are considered valid if they have a loading scale of 0.50 to 0.60. Based on the path diagram in the picture above, all instruments in the product, price, promotion, distribution, and purchasing decision variables are said to be valid, where the indicators are considered capable of measuring the variables in the study.

Convergent Validity Test

Convergent validity test is performed to find out the correlation between the instruments on the indicator and the variables, where the correlation of the instruments on the indicator is said to be valid if it has a loading factor above 0.5.

| Indicator | Product (X₁) | Price (X₂) | Promotion (X₃) | Distribution (X₄) | Purchase Decision (Y) |
|-----------|--------------|------------|----------------|-------------------|-----------------------|
| PR1       | 0.848        |            |                |                   |                       |
| PR2       | 0.838        |            |                |                   |                       |
| PR3       | 0.785        |            |                |                   |                       |
| PR4       | 0.873        |            |                |                   |                       |
| PR5       | 0.686        |            |                |                   |                       |
| PR6       | 0.862        |            |                |                   |                       |
| PR7       | 0.910        |            |                |                   |                       |
| HG1       |              |            |                |                   | 0.761                 |
Discriminant Validity Test

Unlike the convergent validity test which focuses on each item in the questionnaire, the discriminant validity test is carried out to measure how precise and accurate the variables in the study are.

| Variable           | Average Variance Extracted (AVE) |
|--------------------|----------------------------------|
| Distribution       | 0.596                            |
| Price              | 0.501                            |
| Purchase Decision  | 0.557                            |
| Product            | 0.692                            |
| Promotion          | 0.509                            |

Source: Output Results PLS 3.0

Reliability Test

For reliability values, the variables must have a value above 0.7. The value of each variable in the Cronbach’s Alpha table is described as follows:

| Variable         | Cronbach's Alpha |
|------------------|------------------|
| Distribution     | 0.879            |
| Price            | 0.863            |
| Purchase decision| 0.838            |
| Product          | 0.935            |
| Promotion        | 0.802            |
Furthermore, R2 test results are obtained with an adjusted R2 value of 0.555, which means that product, price, promotion and distribution variables indicate their contribution in explaining the purchase decision of 55.5%

Moreover, to find out whether there is a significant influence between the product, price, promotion and distribution of the purchase decision variable, it is known that $t_{table} = 1.985$ obtained from the formula $df = NK$ or $df = 100-5 = 95$, then it is associated with a degree of trust 95% or alpha 0.05. Based on the results of data processing for the significance test (t test), the following results are obtained:

| Table of Results Path Analysis Coefficient Values |
|-----------------------------------------------|
| Original Sample (O) | t-Statistics | P Values |
| Distribution -> Purchase decision | 0.603 | 3.485 | 0.001 |
| Price -> Purchase Decision | 0.147 | 1.241 | 0.215 |
| Product -> Product Decision | 0.074 | 0.685 | 0.494 |
| Promotion -> Product Decision | 0.404 | 3.506 | 0.000 |

In the table of statistical test results it can be seen that the results of testing the distribution of variables towards decision making show the value of $t_{count} = 3.485 > t_{table} = 1.985$. So, $H_0$ was rejected and $H_a$ was accepted. While the significant value is 0.001 because the value of Sig. is 0.05 $\geq$ 0.001. Thus, it can be interpreted that the distribution variable significantly influences the purchase decision of The Body Shop product at the Pejaten Village Mall with an influence of 60.3%. So the hypothesis that was made previously is accepted.

This is supported by the average index of respondents' answers to the distribution variable of 69.6% included in the current index category according to the Three Box Method in Ferdinand's book (2011, p.332). So it can be concluded that the distribution conducted by The Body Shop, especially at the Pejaten Village Mall outlet, is considered to be a strategic customer who can influence the purchasing decisions of The Body Shop product at the Pejaten Village Mall outlet. The results of this study are in line with research conducted by Anindityo et.al. (2017) which says that the distribution in the marketing mix has a significant positive effect on the decision process of Kefir mask consumers. The results of this study are in line with the research of Hanifaradiz and Satrio (2016) which states that the location has a significant and positive effect on the decision to purchase Lifebuoy soap in Surabaya.

The results of testing the price variable for decision making shows the value of $t_{value} = 0.215 < t_{table} = 1.985$. So, $H_a$ was rejected and $H_0$ was accepted. While a significant value of 0.215, this shows Sig.0.05 $< 0.215$. Thus it can be interpreted that the price variable has no effect and is not significant to the purchase decision of The Body Shop products in Pejaten Village Mall outlet with a large influence of 14.7%. So these results do not support the initial hypothesis proposed in this study.

This is supported by the high point of the statement "The Body Shop gives discounts for certain events" which has a respondent's answer index value of 51.4%, this can be interpreted that there are discounts or not, consumers will continue to make purchases of The Body Shop products. The results of this study are in line with research conducted by Cho, et. al. (2016) who state that prices do not affect Vietnamese consumers in purchasing skincare products.

The results of testing the product variables on decision making show the value of $t_{count} = 0.685 < t_{table} = 1.985$. So, $H_a$ was rejected and $H_0$ was accepted. While the significant value is 0.494, this shows...
Sig. is 0.05 < 0.494. Thus it can be interpreted that the product variables have no effect and are not significant to the purchasing decisions of The Body products in Pejaten Village Mall outlet with no effect of 7.4%. So these results do not support the initial hypothesis proposed in this study.

This is supported by the average index of respondents' answers to product variables at 64.6% in the medium category. This means that The Body Shop products are quite attractive to consumers in making purchasing decisions. Therefore, whatever products are offered by The Body Shop, consumers will continue to make purchases. The results of this study are in line with research conducted by Koestanti and Nainggolan (2015) in their research which showed that the product had no significant effect on Oriflame cosmetics purchasing decisions.

The results of testing promotional variables on decision making shows the value of \( t_{\text{count}} > t_{\text{table}} \). So, Ho was rejected and Ha was accepted. While the significant value of 0.000, because of the value of Sig.0.05 ≥ 0.000. Thus it can be interpreted that the promotion variable has a significant effect on purchasing decisions for The Body Shop product at the Pejaten Village Mall outlet with a 40.4% influence. So the hypothesis that was created before is accepted.

This is supported by the average index of respondents' answers to promotion variables of 71.6% included in the high index category. So it can be concluded that the promotion by The Body Shop is very interesting and is one of the main considerations of consumers in making purchasing decisions for The Body Shop product at the Pejaten Village Mall outlet. The results of this study are in line with research conducted by Koestanti and Nainggolan (2015) who said that promotion in the marketing mix had a significant effect on purchasing decisions for Oriflame cosmetics. The results of this study are also in line with the research of Damanik and Oktafani (2017), it is said that promotion influences the purchasing decision of BLP cosmetics products.

![Image 3. Inner Model](image3.png)

CONCLUSION
Based on data analysis and discussion that has been done through Partial Least Square (PLS) analysis of the Marketing Mix Analysis of Purchasing Decisions of The Body Shop Outlet at Pejaten Village Mall, a conclusion can be drawn as follows:

1. The product variable does not affect and is not significant towards purchasing decisions for The Body Shop products. This is because consumers will continue to purchase The Body Shop products regardless of the products offered.
2. The price variable does not affect and is not significant on the purchase decision of The Body Shop products. This is because with the price discount or not, consumers will continue to make purchases on The Body Shop products.
3. Promotional variables have a significant effect on purchasing decisions for The Body Shop products. Which means that the better the promotion, it will increase the purchases on The Body Shop products in Pejaten Village Mall outlet.
4. Variable distribution has a significant effect on purchasing decisions for The Body Shop products. This means that the better the distribution, it will increase purchases on The Body Shop products in Pejaten Village Mall outlet.

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