Effect of Marketing Mix and E-Wom on Consumer Purchase Decisions by Moderating Buying Interest during the Covid'19 Pandemic

Ari Soeti Yani[1], Rana Rani[2]

[1,2]*Program Studi Manajemen, Fakultas Ekonomi Dan Bisnis, Universitas 17 Agustus 1945 Jakarta*
arisoetiyani@gmail.com, rannnrani01@gmail.com

Abstract

The purpose of this study is to determine the effect of marketing mix on consumer buying interest during the covid 19 pandemic. and word of mouth marketing through digital or Electronic Word of Mouth (E-WOM). This marketing is considered effective during a pandemic because of the trust, positive impression and experience by buyers of the services offered so that they are able to persuade, motivate potential buyers more in deciding to buy. Another strategy as a support is to include the provision of discounts. The number of samples taken as many as 100 people or more consumers. The method used is a survey method, the form of research used in verification and descriptive research. Data was collected through interviews and distributing questionnaires to respondents. The questionnaire was tested using a validity test, reliability test and classical assumption test. The results showed that the marketing mix had a significant effect on consumer buying interest. Partially, price and product have an effect on consumer buying interest, while promotion and place have no influence on consumer buying interest. The product variable has the strongest influence on consumer buying interest.

I. Introduction

Indonesia is currently facing Covid 19 and the rapid spread of Covid has an impact on various sectors that affect the economic activities of the community and economic actors. The outbreak of this virus has an impact of a nation and Globally (Ningrum et al, 2020). The presence of Covid-19 as a pandemic certainly has an economic, social and psychological impact on society (Saleh and Mujahiddin, 2020). Covid 19 pandemic caused all efforts not to be as maximal as expected (Sihombing and Nasib, 2020).

The World Health Organization (WHO) declared the Covid 19 outbreak an international public health emergency (Li, Kallas, and Rahmani 2022). With Covid 19, business people have restructured their digital strategies to gain market opportunities and digital customer segments because many initially marketed them. still using the traditional way are now forced by circumstances that require them to innovate more using technology and the internet so that it will be their business to survive. (Eger et al. 2021)

In addition, electronic marketing strategies during this pandemic can make it easier because it reduces the direct interaction of buyers and sellers (Nikbin et al. 2021)

Supporters of traditional trade have been forced to attract modern trade with online shopping methods, so that Companies must focus on understanding customer needs and tailoring product offerings. In carrying out their trade as business actors, they need to carry out marketing strategies to attract buying interest from consumers (Najafi-Ghobadi, Bagherinejad, and Taleizadeh 2021). With the technology that is currently developing, it is

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a separate role for business actors, namely developing their business wider from offline stores to online stores so that the reach achieved will be wider in reaching the market. (Hernández-Fernández, Mora, and Hernández 2019) In addition, the importance of developing a marketing strategy for the progress of a business. With the sophistication of technology and the internet, the word-of-mouth strategy has developed into a modern strategy, namely e-WOM. (Park, Shin, and Ju 2019)

E-WOM is an important strategy to develop in marketing. Because one of the factors attracts buying interest from customers. (Pang 2021) Where customers who will make purchases online will find out the desired product via the internet. So, business actors can provide complete information regarding their products. (Alrwashdeh et al. 2020) In addition, customers do not only search for product information based on information from the seller. Instead, customers will also find out this information through comments provided by other customers who have made purchases who are willing to share their experiences after purchasing their products online.

Comments given by other consumers, both positive and negative, will have an impact on the product. If the comments given are positive, it will affect the marketing mix of the product, it can be said to be good and can encourage buying interest from potential customers, and vice versa if the comments on the product are negative, it will reduce interest in buying the product.

Previous research conducted by (Nikbin et al. 2021) explains that E-WOM has a significant effect on purchasing decisions by

Istiqomah et al. (2019) also states that the perception of risk has a significant effect on purchasing decisions.

So, it is important for online business actors to improve strategies from the marketing mix and e-wom in order to increase the business that is developed to a wider market. By taking advantage of opportunities from increasingly sophisticated technology with internet support, it will help advance online businesses if business actors can take advantage of them properly.

So that researchers want to do research "The effect of marketing mix and e-wom on customer purchase decisions by moderating buying interest during the Covid-19 pandemic."

II. Review of Literature

2.1 Grand Theory

The grand theory used for this research is marketing management. Marketing includes the whole system related to business activities, which aims to plan, determine prices, to promote and distribute goods or services that will satisfy the needs of buyers, both actual and potential. The scope of marketing is very wide, various stages of activities must be passed by goods and services before reaching the hands of customers, so that the broad scope of activities will be simplified (Kwok, Tang, and Yu 2020).

2.2 Marketing mix Marketing

Strategy is a component that is feasible, precisely and consistently carried out by the company to obtain the target market in the long term and the company's short-term goals in certain competitive conditions. (Shokrani et al. 2019) Marketing mix is a set of marketing instruments used by the company so that it continues to achieve its marketing goals in the target market, which is divided into 4 components such as price, promotion, place and product (Chou et al. 2022) from the definitions of some experts it can be concluded if the

marketing mix is all activities combined to satisfy customer needs, which consists of products, promotions, prices, places.

2.3 E-Wom

E-wom is a means of communication that can be positive or negative that we can find on social media or related e-commerce sites.

According to (Alrwashdeh et al. 2020) E-Wom is a question that is either positive or negative bought by a customer who has the actual and potential to provide comments about the product or customer experience. To identify these variables, this study uses the following dimensions:

1. Finding out by reading online reviews related to a product or brand that gives a good impression on other customers
2. Ensure the purchase of a particular product or brand by reading online reviews
3. Conduct consultations with existing online reviews to choose a good product or brand

2.4 Consumer purchases

In general, customer purchasing decisions are present and future needs and desires which are the interest of the customer himself to buy. (Wang et al. 2021) purchasing decisions are part of consumer behavior which is a study of how individuals, groups, and organizations involved in selecting, buying, using, and how goods and services, ideas or experiences aim to satisfy the needs and wants of customers. (Lim et al. 2021)

2.5 Purchase

Interest is something related to the customer's plan to buy a certain product and how many units of the product are needed in a certain period of time.

Buying interest in this study is a person's desire or plan to buy a product in a certain amount and time. (Alrwashdeh et al. 2020) buying interest is formed from the customer's attitude towards the product which consists of customer trust in the brand and brand evaluation, so that from these two stages, buying interest arises to buy.

2.6 Relationship Marketing mix with consumer purchases

The main reason when people shop through the internet is convenience. Marketing mix becomes a concept for company activities in achieving company goals by streamlining marketing activities. By recognizing the 4 elements of the marketing mix, namely product, price, place and promotion (Adams, Freitas, and Fontana 2019). If the company is able to do the right combination of marketing mix it will be able to increase buying interest in the minds of customers. Based on the description above, the following hypothesis can be formulated.

Considering only the quality, but also considering the feasibility of the price. Price is one of the determinants of product selection which will later affect purchase intention. Based on the description above, the following hypothesis can be formulated:

H1 There is a positive and significant influence on consumer purchases

2.7 The relationship between E-WOM and consumer purchases

To increase consumer online purchases, a good strategy is needed, one of which is by utilizing the power of e-WOM. If e-WOM is positive, it will increase consumer purchase intentions and vice versa. (Sharma and Klein 2020) the relationship between e-wom and consumer purchases has a significant influence, so it can be concluded that:

H2 e-wom has no effect on consumer purchases

## 2.8 The relationship between buying interest and consumer purchases

In increasing customer purchases, it can be done by increasing the marketing mix strategy and e-wom. Where the marketing mix and e-wom on a product will together have an influence on consumer purchases. If the marketing mix and e-wom on a product is good, it will increase consumer purchases on the product and vice versa. So, whether or not the marketing mix and e-wom on a product can affect consumer purchases. According to Agatha, et al (2019), the relationship between e-wom and marketing mix with consumer purchases has a significant influence, so it can be concluded that:

H3 Purchase intention has a significant effect on consumer purchases

2.9 Framework for thinking

The framework is a synthesis of the relationships between variables compiled from various theories developed has been described, then analyzed critically and systematically, so as to produce a synthesis of the relationship between these variables which are then used to formulate hypotheses.

In this study, measurements will be made of the influence of the marketing mix (X1) and e-wom (X2) on the decision of customer purchases (Y) with moderated buying interest (Z) during the Covid-19 pandemic.
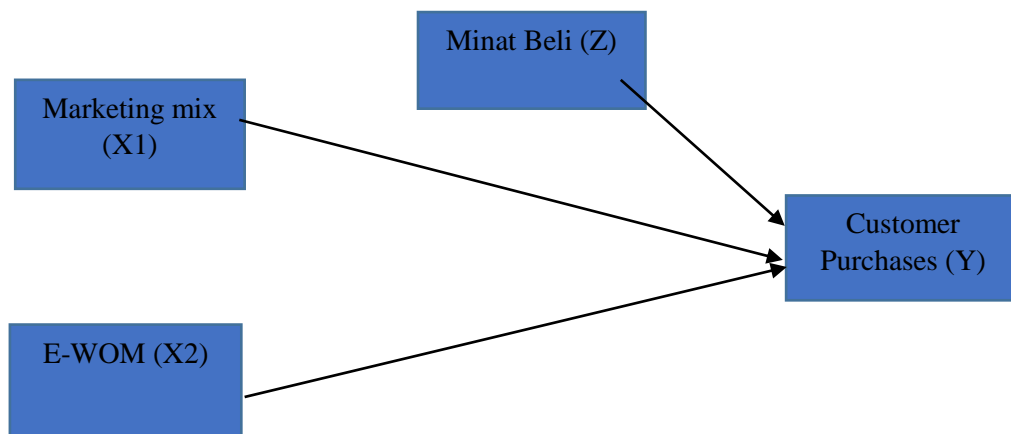
III. Research Method

Quantitative approach is an approach taken in research This is with primary data obtained from respondents' responses through questionnaires distributed online. In this study, the number of samples used was 100 respondents. also uses a quantitative approach. The quantitative method is carried out by a structured questionnaire survey given to a sample of a population and designed to obtain specific information from respondents.

3.1 Population and sample

Population is a group or collection of objects or objects that will be generalized from the results of the study.

The sample is part or as a representative of the population to be studied. If the research is carried out by part of the population, it can be said that the study is a sample study. Sampling using random sampling technique sampling technique to spread questionnaires randomly

3.2 Primary

The data source to be used in this study is primary data which is data obtained directly from the source where in this study the primary data to be used was obtained from questionnaires.

Before being given a research questionnaire, respondents will be explained about the aims and objectives of the study and how to fill out the questionnaire.

3.3 Secondary

Secondary data is data or collected by people who do research from existing sources. This data is used to support the primary information that has been obtained. secondary data in this study were obtained from the documentation of the

IV. Result and Discussion

4.1 Descriptive Statistics

Respondents were used as many as 205 respondents, using side simple random. The results of the data in this study were obtained from questionnaires distributed to respondents using questionnaires. The questionnaire also contains data from respondents consisting of: Gender, Age, Status, Occupation

Table 1. Characteristics of Respondents

No	Characteristics	Total	Percentage (%)
1	Gender		
	Male	152	73.8%
	Female	55	26.2%
	Total	**206**	**100**
2	Age		
	< 25 Years	66	32%
	25 - 30 Years	111	53.9%
	31 - 40 Years	28	13.6%
	> 40 Years	1	0.5%
	Total	**206**	**100**
3	Status		
	Married	66	32%
	Not Married	140	68%
	Total	**260**	**100**
4	Employment		
	Self	117	56.8%
	Private	49	23.8%
	PNS	0	0%
	Student/student	40	19.4%
	Total	**206**	**100**

From table 4.1 it can be seen an overview of gender, age, status, occupation. When viewed from the gender of the respondents, there were more men than women, namely 152 people (73.8%). In terms of age, respondents were dominated by the age of 25-30 years as many as 111 respondents (53.9%). From marital status, the majority of the respondents

were unmarried, as many as 140 people (68%). In terms of employment status, working as an entrepreneur dominates with 117 respondents (56.8%).

4.2 Test validity and reliability
a. Test Validity Measurement (Outer) Model
Outer model is the relationship between indicators and constructs. The initial evaluation or testing of the measurement model is reflective, namely with convergent validity.

A loading factor value of less than 0.5 will be omitted in the model and if the loading factor is more than 0.5 then it has good validity. For research in the early stages of developing a measurement scale, the loading value of 0.5 to 0.60 is considered sufficient

b. Validity
Test Validity test is used to measure whether a questionnaire is valid or not. Aquestionnaire is said to be valid if the questions on the questionnaire are able to reveal something that will be measured by the questionnaire.
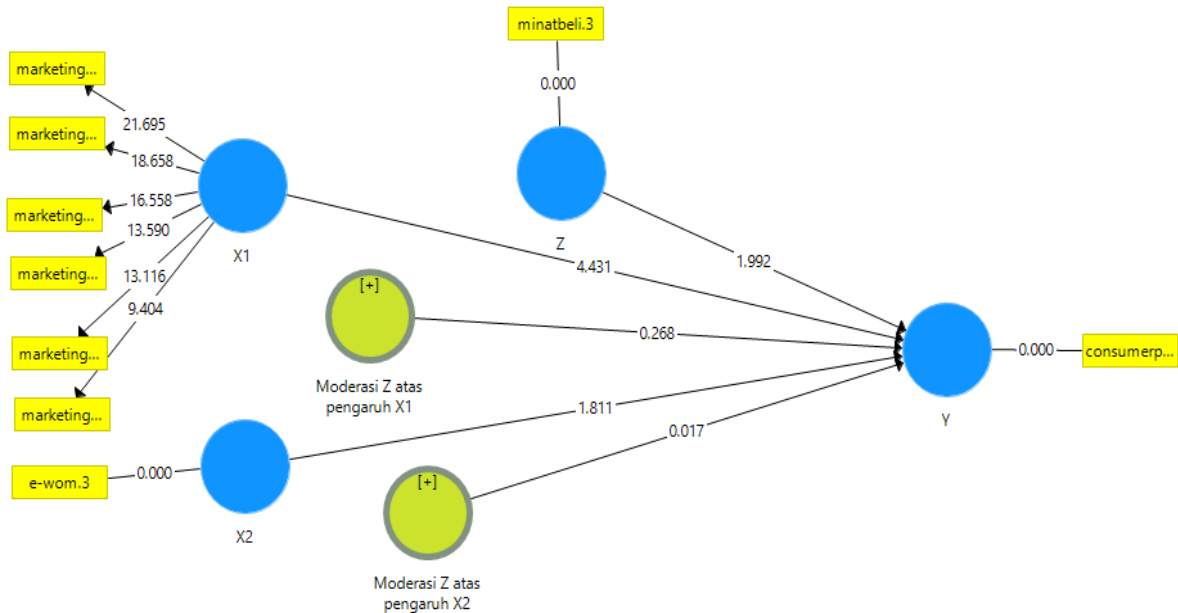
c. Reliability Test
A questionnaire is said to be reliable or reliable if someone's answer to the statement is consistent or stable.

Table 2. Test Results

	Cronbach's Alpha	Rho_A	Composite Reliability	Average Variance Extracted (AVE)
Z Moderation on the influence of X1	1,000	1,000	1,000	1,000
Z Moderation on the influence of X2	1,000	1,000	1,000	1,000
X1 – Marketing Mix	0.816	0.824	0.867	0.521
X2 – E-WOM	1,000	1,000	1,000	1,000
Y – Consumer Purchases	1,000	1,000	1,000	1,000
Z – Buying Interests	1,000	1,000	1,000	1,000

4.3 Testing of the Inner Model

The analysis of the inner model is carried out to ensure that the structural model built is robust and accurate. The evaluation of the inner model can be seen from several indicators:

a. Coefficient of Determination (R^2)

The coefficient of determination is the square of the correlation coefficient ($R2$) associated with the independent variable and the dependent variable

Table 3. Coefficient of Determination ($R2$) Consumer

Information	R Square
Purchases	0.350

4.4 Test Hypothesis

Testing this hypothesis includes a significant value of each path coefficient which states that there is a significant or insignificant effect between constructs. Structural model testing is used to test the hypothesis between the research variables seen from the P value and T statistics.

Table 4. Hypothesis Testing

Description	Original Sample	Sample Mean	Standard Deviation	T Statistics	P Value
Moderation Z on the influence of X1	-0.018	-0.015	0.065	0.271	0.787
Moderation Z on the influence of X2	0.001	-0.004	0.068	0.018	0.986
Marketing mix -> Consumer purchases	0.414	0.418	0.087	4.759	0.000
E -WOM -> Consumer purchases	0.150	0.149	0.079	1.905	0.057 Buying
interest -> Consumer purchases	0.139	0.142	0.070	1.979	0.048

From table 4 above, based on the results of data processing that has been carried out to answer the proposed hypothesis, this shows that there is a significant effect. The following is an analysis related to the influence between variables according to the proposed hypothesis:

1. Mix has an effect on consumer purchases behavior in buying interest.
   MarketingThe statistics are positive, so it is stated that the marketing mix has a significant effect on consumer purchases with a T-Statistic of 4.759. Thus, it is stated that the marketing mix has a significant effect on consumer purchases. It shows that the marketing mix activities carried out by retailers can increase consumer purchases in retail companies.
2. The E-word of Mouth has an effect on consumer purchases behavior in buying interest.
   Based on the test results on the hypothesis, the parameter coefficient value is 1.905, which means that E-wom has no direct and significant effect. This is because individuals show interests that have similarities with their personalities.
3. Buying interest has an effect on consumer purchases behavior

The results of hypothesis testing, it is known that the P-Value value that forms buying interest is able to strengthen the influence of consumer purchases by 0.048 plus T-Statistics with a value of 1.979.

Buying interest is very influential on consumer purchases, this is because there is a good and quality brand, so customers don't think back to buying the product.

V. Conclusion

Based on the results of research on the effect of marketing mix and e-wom on consumer purchase decisions by moderating buying interest during the covid19 period, the following results were obtained:

1. There is a direct but not significant effect between e-wom on consumer purchases. This is because the purchasing authority in the retail business, including at Sinarmulia, are teenagers aged 25-30 years.
   For customers aged 25-30 years, e-wom is not a factor that will make customers want to buy.
2. So based on the discussion that has been reviewed, it can be concluded that the marketing mix is an important predictor that statistically has a significant effect on consumer purchases. This is shown by most of Sinarmulia's customers who agree that the price offered is in accordance with the expected specifications.

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