

Effect of Marketing Mix and Electronic Word of Mouth (E-Wom) on Purchase Decisions on Olenka Coffee and Dining in Banda Aceh

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Abstract

Banda Aceh is known as the land of a thousand coffee shops . Olenka Coffee and Dining is a contemporary coffee shop that has a minimalist theme that is in great demand by young people in Banda Aceh. At the beginning of its opening, Olenka Coffee and Dining posted good sales, but over time the Covid-19 pandemic sales decreased. Olenka Coffee and Dining realizes that during this pandemic, effective promotions use the marketing mix and electronic word of mouth because the reviews from consumers have quite affected sales at Olenka Coffee and Dining. The marketing mix applied at Olenka encountered several problems related to promotion, price & place, which could reduce sales at Olenka. Electronic word of mouth at Olenka Coffee and Dining is quite influential on sales because consumers sometimes directly give negative reviews through digital platforms without first complaining to Olenka Coffee and Dining. The purpose of this study was to determine the influence of marketing mix and electronic word of mouth on purchasing decisions at Olenka Coffee and Dining. This study uses quantitative methods of descriptive research with multiple linear regression analysis techniques. sampling technique used was non-probability sampling, the type of accidental sampling with the number of samples used as many as 100 respondents who were Olenka Coffee and Dining who had bought directly at Olenka Coffee and Dining. Coffeetest was carried out using SPSS version 25. Based on the results of the descriptive analysis in this study, the marketing mix at Olenka and Dining included in the good category with an average percentage of 77%. Electronic word of mouth at Olenka Coffee and Dining in the good category with a percentage of 74%, and the purchase decision of Olenka Coffee and Dining is in the good category with a percentage of 77%. Therefore, with the results that researchers get, it is hoped that Olenka Coffee and Dining will further improve its marketing mix and also further increase interaction with consumers through Instagram, because with this interaction it can increase Olenka insights Coffee and Dining

Keywords

marketing mix, electronic word of mouth, purchasing decisions, olenka coffee and dining



I. Introduction

The development of an increasingly advanced era encourages people to continue to innovate so that they can always keep up with the increasingly rapid developments of the era, from technological changes that are increasingly advanced, business changes increasingly modern, even changes in the mindset of humans themselves who are increasingly modern. These changes or innovations are always carried out to meet the needs of humans themselves, which aims to keep humans from following or still being able to compete. These innovations also have an impact on the culinary field where the concept

changes from traditional to modern, such as the coffee business which used to be done in the traditional way of making coffee, now it can be done using a machine so that it is easier and faster to make, and does not use a lot of tablespoons.

The coffee business that uses this modern concept is better known by the public as a *coffee shop* where this business focuses on a variety of processed coffee menus so that coffee lovers can try various kinds of coffee flavors. One of the coffee shops that follow the development of this era is Olenka Coffee and Dining. Olenka Coffee and Dining is one of the *coffeeshops* that was established at the end of 2020 with a minimalist theme. Olenka is one of the *coffeeshops* that appeals to young people in Banda Aceh.



Figure 1. Coffee Production in Aceh

Every month Olenka Coffee and Dining's income is not fixed, even in the last few months it has decreased, this happens because the marketing that has been done by Olenka has not been able to attract consumers to buy Olenka products and marketing also only uses social media Instagram, Olenka's own Instagram content is still lacking, and Olenka's use of Instagram has not been very active either. Then the promotions carried out by Olenka itself could not attract the attention of consumers, such as the promotion of discounts and discounts that had been done could not generate significant sales for Olenka Coffee and Dining. In addition to this, there are other factors that have caused the decline in sales at Olenka, namely the current Covid-19 pandemic which has disrupted the operational hours of Olenka Coffee and Dining, where regulations require all businesses to close at 9 or 21.00 WIB which results in Olenka had to close the *coffee shop* earlier than usual. Even on the pages of some websites, there are negative comments given by consumers about Olenka's service taking too long and bad service, and the employees at Olenka are not friendly so Olenka gets 1 or 2 stars from some consumers. Based on research conducted by Sulistiyo & Augustian (2018) which states that there is an influence between the *marketing mix & e-wom variables* on purchasing decisions.

II. Review of Literature

2.1 Marketing

Armstrong (2016) the definition of *themixis* "the marketing *mix is the set of tactical marketing tools that the firm blends to produce the response it wants in target markets*". Kotler and Armstrong (2016) explained that this marketing tool includes 4 groups including: *product, price, place, promotion* called the 4Ps.

2.2 Electronic Word Of Mouth

According to Kotler and Keller (2016) *electronic word of mouth* (E-WOM) suggests marketing uses the web to make an impact on verbal communication to assist advertising efforts and goals. However, infectious marketing due to infection appears to be one type of informal exchange or news that starts with one mouse click then to the next, which is empowering.

2.3 Purchasing Decision

According to Sudaryono (2016:102), the cycle of decision-making begins with a need that is trying to be satisfied. . Satisfaction of this need is linked to several other options so it is important to complete an assessment aimed at getting the best insight from the buyer. In this test cycle, buyers need data whose amount and level of significance depend on their needs and the circumstances they face.

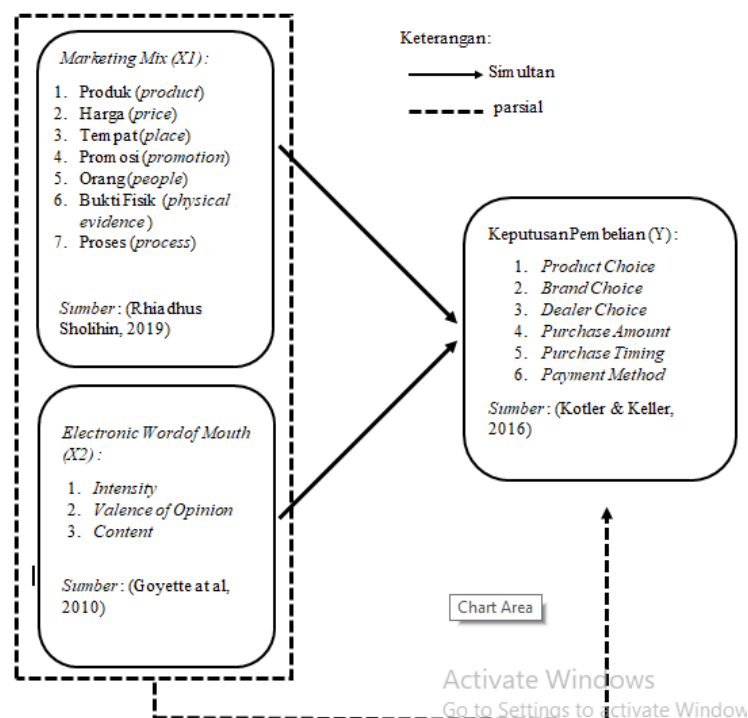


Figure 2. Thinking Framework

Description:

- : Partial
- - - - - > : Simultaneous

Based on the framework that has been put forward, the hypothesis in this research is:

1. *Marketing Mix* affects Purchase Decisions on Olenka Coffee and Dining
2. *Electronic Word of Mouth* affects Purchase Decisions on Olenka Coffee and Dining
3. *Marketing Mix* and *Electronic Word of Mouth* affect Purchase Decisions at Olenka Coffee and Dining

III. Research Method

The type of research conducted by the author is descriptive research. As pointed out by Sujarweni (2015:49), descriptive research is research directed at determining the value of each variable, one independent variable without being correlated with other variables. This variable can show efficiently and precisely about the population or about a particular field.

The technique used is a quantitative exploration strategy. According to Sugiyono (2018:8) quantitative testing techniques can be interpreted as research strategies based on positivist thinking, carried out to see certain populations or tests, collecting data with research instruments, testing quantitative/measured information, intending to test pre-determined hypotheses. The instrument scale used is a Likert scale.

The non-probability used is *accidental sampling* which is a testing procedure based on probability, meaning that every individual who coincidentally/unexpectedly meets a researcher can be sampled, assuming the individual encountered is considered reasonable as a data source.

This exploration is remembered for different direct relapse investigations. According to Sugiyono (2017: 275) multiple linear regression analysis is used to anticipate the state (all) of the dependent variable, if at least two independent variables as indicator factors are controlled (price expansion).

IV. Results and Discussion

4.1 Descriptive Analysis

a. Marketing Mix Variables

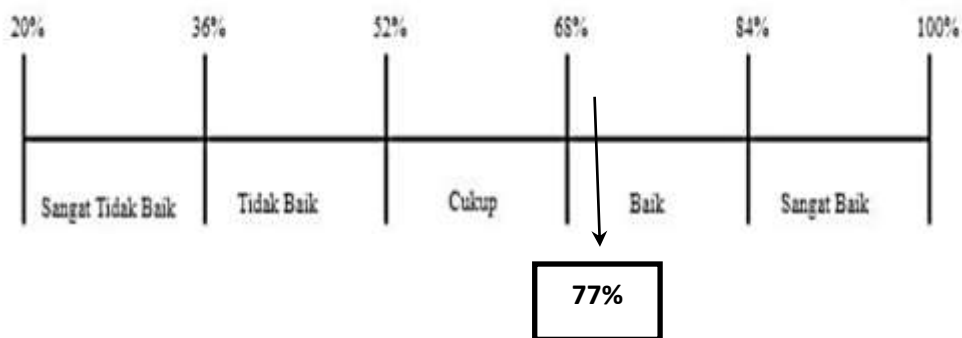


Figure 3. Continuum Line of Marketing Mix

Based on Figure 3, the results of the calculation of respondents' responses to the *marketing mix* 77% and on the continuum line it can be seen that the score is in the good category. It can be concluded that consumers already feel that the *marketing mix* of Olenka Coffee and Dining is good.

b. Electronic Word Of Mouth Variable

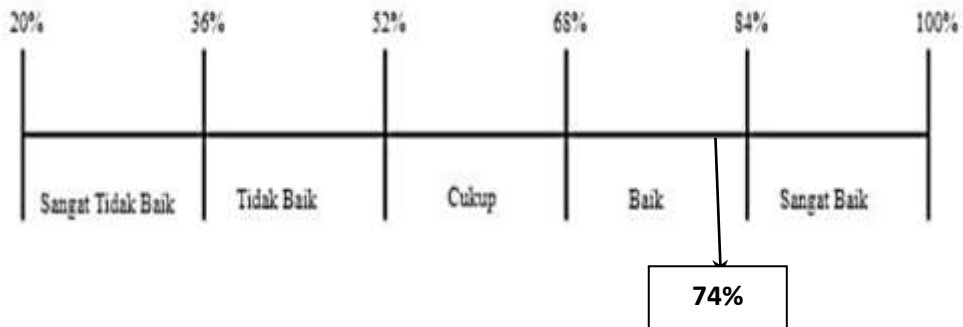


Figure 4. Continuum Line Electronic Word Of Mouth

Based on Figure 4, the results of the calculation of respondents' responses to the *electronic word of mouth* are 74% and on the continuum line it can be seen that the score is in the good category. It can be concluded that consumers already feel that *electronic word of mouth* from Olenka Coffee and Dining is already good.

c. Buying decision

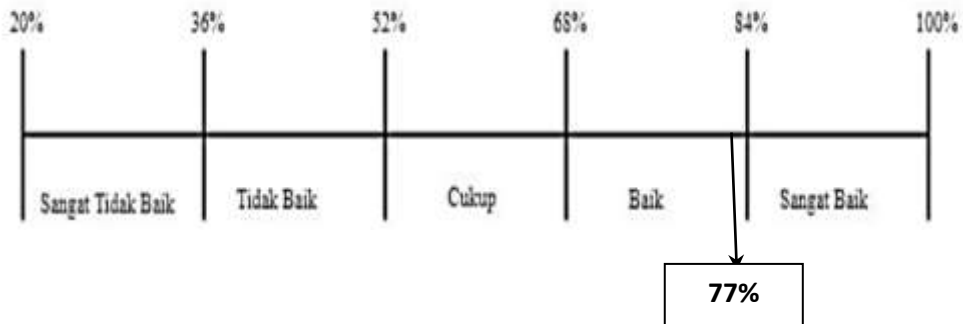


Figure 5. Continuum Line of Purchase Decision Variables

Based on Figure 5, the results of the calculation of respondents' responses to the Purchasing Decision variable are 77% and on the continuum line it can be seen that the score is in the good category. It can be concluded that consumers already feel that purchasing decisions at Olenka Coffee and Dining are good.

4.2 Classical Assumption

a. Test Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	4.46990694
Most Extreme Differences	Absolute	.048
	Positive	.045
	Negative	-.048
Test Statistic		.048
Asymp. Sig. (2-tailed)		.200 ^{c,d}

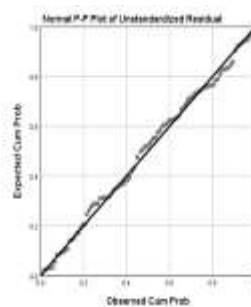


Figure 6. Normality Test Results

The results of the *Kolmogorov Smirnov One Sample* can be called normally distributed variables because the *Asymp.Sig* is 0.200 where the value is greater than 0.05 ($0.200 > 0.05$).

b. Multicollinearity Test

Table 1. Multicollinearity Test Results

		Coefficients ^a					Collinearity Statistics	
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	13.710	3.538		3.875	.000		
	X1	.391	.055	.566	7.096	.000	.857	1.167
	X2	.267	.093	.229	2.871	.005	.857	1.167

a. Dependent Variable: Y

The multicollinearity test shows that the VIF value is 1.167, which is smaller than 10.00 ($1.167 < 10.00$), and seen from the tolerance value of 0.857 more than 0.01 ($0.857 > 0,01$), then the conclusion is that the data does not occur multicollinearity.

c. Heteroscedasticity Test

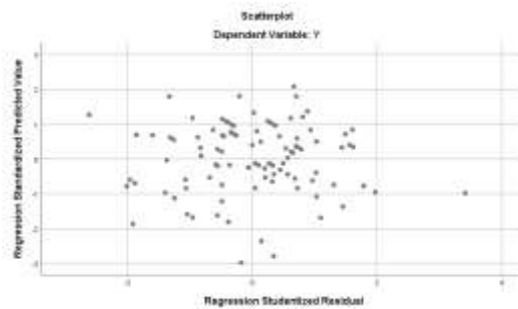


Figure 7. Heteroscedasticity Test Results

The results of the scatter plot heteroscedasticity test where the data points spread above and below or around the number 0, the data points do not just gather above or below, the spread of data points does not form a wavy pattern and enlarges then limits and expands again, and also data point spread is not designed. So it tends to be considered that there is no heteroscedasticity.

4.3 Hypothesis

a. Testing Simple Linear Regression Test

Table 2. Simple Linear Regression Test Results

		Coefficients ^a			t	Sig.
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	13.710	3.538		3.875	.000
	X1	.391	.055	.566	7.096	.000
	X2	.267	.093	.229	2.871	.005

a. Dependent Variable: Y

$$Y = 13.710 + 0.391X1 + 0.267X2$$

Based on this equation, it can be explained:

- The *constant* is 13,710. The value is divided by 2 independent variables so that the results are 6.855, it can be concluded that, without the *marketing mix* and *electronic word of mouth*, the purchasing decision process at Olenka Coffee and Dining is 6.855. This means that the independent variables as a whole have a positive relationship to purchasing decisions.
- The regression coefficient value of the *marketing mix* 0.391, meaning that each increase in the *marketing mix* is one unit, it contributes to increasing purchasing decisions at Olenka Coffee and Dining 0.391
- Variable *X1* positiveOne unit of E-WOM, then the purchase decision at Olenka Coffee and Dining increased by 0.267.

b. T-Test

Table 3. T-Test Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	13.710	3.538		3.875	.000
	X1	.391	.055	.566	7.096	.000
	X2	.267	.093	.229	2.871	.005

a. Dependent Variable: Y

Based on the picture above, it is known that:

- Variable *marketing mix* (X1) with a value of tcount (7.096) > ttable (1.984) and a significant level of 0.000 < 0.05 then H0 is rejected and H1 is accepted. So partially the conclusion is that there is a significant influence of the *marketing mix* (X1) on purchasing decisions (Y).
- The variable *electronic word of mouth* (X2) has a value of tcount (2.871) > ttable (1.984) and a significant level of 0.005 < 0.05, so H0 is rejected and H1 is accepted. So partially the conclusion is that there is a significant effect of *electronic word of mouth* (X2) on purchasing decisions (Y).

c. F Test

Table 4. F Test Results

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1760.547	2	880.274	43.185	.000 ^b
	Residual	1977.213	97	20.384		
	Total	3737.760	99			

a. Dependent Variable: Y

b. Predictors: (Constant), X2, X1

It is known that Fcount 45,378 with a significance level of 0.000. So that $F_{count} > F_{table}$ (43.185 > 3.09) with a significance level of 0.000 < 0.05, indicating that H0 is rejected and H1 is accepted, meaning that the independent variables that include the *marketing mix* and

simultaneously *electronic word of mouth* have a significant effect on the purchasing decision process in Indonesia. Olenka Coffee and Dining.

4.4 Coefficient of Determination

Table 5. Size of Partial Effect of

Variable	Standardized Coefficients Beta	Correlation Coefficient	Partial	Effect (%)
X1	0.566	0.653	0.370	37%
X2	0.229	0.443	0.101	10.1%
TOTAL			0.471	47.1%

It can be seen in table 5 that the magnitude of the influence of *marketing mix* (X1) on purchasing decisions (Y) is partially 37%, the magnitude of the influence of *Electronic word of mouth* (X2) on purchasing decisions (Y) is partially 10.1%. The influence of the total *marketing mix* and *electronic word of mouth* on purchasing decisions is 48.3%. It can be seen the value of the coefficient of determination.

Table 6. Results of the Coefficient of Determination
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.686 ^a	.471	.460	4.515

a. Predictors: (Constant), X2, X1

b. Dependent Variable: Y

Sumber : Hasil Olah Data Dengan *IBM SPSS Vers 25, 2022* [□]

This shows that the value of the coefficient of determination is 47.1%. Thus, the influence of the *marketing mix* and *electronic word of mouth* on purchasing decisions is 47.1%. While the remaining 52.9% is influenced by other variables not examined.

V. Conclusion

Based on the results of the research that has been done, various conclusions are generated to answer the various problem formulations. The following are the conclusions drawn by them.

1. The responses from 100 respondents to the *marketing mix* Olenka Coffee and Dining are in the good category with an average percentage of 77%.
2. Responses from 100 respondents to *electronic word of mouth* Olenka Coffee and Dining were in the good category with an average percentage of 74%.
3. The responses from 100 respondents to the purchase decision of Olenka Coffee and Dining are in the good category with an average percentage of 77%.
4. Based on the results of the study, there is a partial influence between the *marketing mix* on purchasing decisions with a percentage of 37%. Based on the t-test, the marketing mix variable has a t-value of 7.096 which is greater than t-table ($7.096 > 1.984$). The regression coefficient value is positive 0.391, so the *marketing mix* contributes to increasing purchasing decisions by 0.391.
5. Based on the results of the study, there is a partial influence between *electronic word of*

mouth on purchasing decisions with a percentage of 10.1%. Based on the t-test, the *electronic word of mouth* has a tcount value of 2.871 which is greater than the table value ($2.871 > 1.984$). The regression coefficient value is positive 0.267, so *electronic word of mouth* contributes to increasing purchasing decisions 0.267.

6. Based on the results of the study, there is a significant and positive influence between the *marketing mix* and *electronic word of mouth* on 47.1% purchasing decisions and the remaining 52.9% is influenced by other variables or factors not examined.

Based on the discussion and conclusions that have been presented, there are various suggestions submitted by researchers to related parties including:

1. Based on the results of respondents' responses to the *marketing mix*, it is in the high classification of 77%. However, even though it is in the high category, there are still statements in the low category, namely "The location of Olenka Coffee and Dining is easy to find" with a percentage of 50% which is in the low category. Therefore, it is hoped that Olenka Coffee and Dining can make clear signage that can be seen from a distance, so that it is easier for the public to find the location of Olenka Coffee and Dining.
2. Based on the results of respondents' responses to *electronic word of mouth* as a whole, they are in a high classification of 74%. However, even though it is in the high category, there are still statements in the low category, namely "I know the quality of Olenka Coffee and Dining products from social media" with a percentage of 51% which is in the low category. Therefore, it is hoped that Olenka Coffee and Dining can be more active in interacting with followers on Instagram, because with the high insight it has, it will make people interested in visiting Olenka Coffee and Dining. And content on Instagram can also contain direct reviews from consumers, although the matter of taste will certainly have differences between individuals, but with honest reviews it will make people interested in trying the products at Olenka Coffee and Dining.
3. Based on the results of respondents' responses to purchasing decisions as a whole are in the high classification of 77%. However, even though it is in the high category, there are still statements in the low category, namely "I decided to buy Olenka Coffee and Dining products based on habits" with a percentage of 51% which is in the low category. With this, it is hoped that Olenka Coffee and Dining can make people accustomed to spending time at Olenka Coffee and Dining, by providing other benefits such as internet access, electricity, games, and other facilities that make consumers comfortable to linger at Olenka Coffee. and Dining.

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