

The Effect of Islamic Marketing Mix Strategy on Purchasing Decisions at Waroeng Steak and Shake in the Special Region of Yogyakarta

Rafi Evan Adi Hartawan¹, Muchsin Muthohar²

^{1, * 2} Faculty of Business and Economics, Universitas Islam Indonesia, Yogyakarta, Indonesia

ARTICLE INFO



ISSN: 2620-6196

Vol. 6 Issues 1 (2023)

Article history:

Received – July 28, 2023

Revised – August 10, 2023

Accepted – August 16, 2023

Email Correspondence:

843110104@uii.ac.id

Keywords:

Islamic Marketing Mix, Purchase Decision, Waroeng Steak and Shake

ABSTRACT

This study aims to identify the effect of Islamic marketing mix (7p) on purchasing decisions at Waroeng Steak and Shake in the Special Region of Yogyakarta. This study uses a non-probability purposive sampling technique in collecting sample data. Primary data collected in this study amounted to 250 respondents. Then this study used statistical analysis techniques Structural Equation Modelling (SEM) with Smar tPLS software version 3.2.9. The results of the data analysis show that several factors of the Islamic marketing mix variable (7p), namely price, people, place, promotion, and process, have a positive and significant influence on purchasing decisions. Meanwhile, products and physical evidence do not have a positive and significant influence on purchasing decisions at Waroeng Steak and Shake in the Special Region of Yogyakarta.

INTRODUCTION

The rapid growth of business ventures, especially in the culinary sector, will cause competition and new challenges, especially in the marketing sector (Ivana Tanjung, 2021). In addition, the existence of competition makes entrepreneurs must be able to set the right policies to achieve the targets that have been set. Making accurate and appropriate strategic decisions will help the company grow well. *Marketing mix* is a set of tactical marketing tools that can be controlled and combined by companies to generate the responses that companies want in target markets (Kotler & Amstrong, 2016) on (Ivana Tanjung, 2021). According to Ivana Tanjung (2021), in the marketing *mix*, there are factors that influence purchasing decisions, including product, price, promotion, place, people, process, and physical evidence.

In Islamic teachings, *Marketing mix* is not prohibited by religion, it is associated with muamalah and allowed for jihad (Adhaghassani, 2016). *Islamic Marketing Mix* is a process that describes all elements of marketing carried out to achieve goals such as profit, return on investment, market control and so on without violating the teachings of Islam. Culinary industry businesspeople need to observe how customers behave and what factors can affect customer purchasing decisions. The *product* is the central point of marketing activities. According to Kotler (1997) in Zechariah & Sujianto (2022). Product is something that is used or utilized so that it can satisfy desires and needs. Variable prices, people, places, promotions, processes, and physical evidence will not work if they are not followed by quality products that are favored by consumers. According to Ramli (2013) in Ivana Tanjung (2021), Price is a relative value owned by a product. The price policy made by the entrepreneur will affect the level of purchase. Every business has its own policy in determining prices to attract consumers, the higher the price, the lower the purchase decision, otherwise if the price is low, the purchase decision will change higher (Kotler & Amstrong, 2001) on (Agatha, 2018).

Promotion is one element of the marketing mix that focuses on efforts made to attract and persuade consumers to be willing to make a purchase (Tjiptono, 2015). In other words, if promotional activities are carried out well, using the right strategy will influence consumers in determining purchasing decisions from a product or service. Place is defined as the physical structure of a restaurant which is the main component that is visible and informs the impression of the restaurant in providing the place needed by consumers (Utami, 2016). Good and strategic location determination will make it easy for consumers to find and get their needs. That way the place will influence consumers in determining purchasing decisions.

People are employees of sellers and providers of products or services who are directly or indirectly involved in the process (Kotler & Keller, 2016). Consumers must be treated well because consumers will feel comfortable if served well and sincerely. From this explanation, it can be concluded that people influence consumer purchasing decisions.

Process is an effort from the company to carry out company activities that have the aim of being able to meet the needs, willingness, and ease of transactions from customers (Fatihudin, 2019). Considering and determining the right policy strategy from the company is an important key in the *marketing mix* component (Nilam Sari, 2012) on (Ibrahim & Afif, 2020). Convenience and transparency will make the desire of consumers to buy products or services will be achieved. According to Parasuraman *et al.* (1994) in Ivana Tanjung (2021), physical evidence includes equipment, attractive facilities, neat and professional employees, and matters related to business that have visual appeal. In today's era, consumers have begun to consider whether there is physical evidence of which products or services are promoted and offered. Therefore, physical evidence also influences consumers in determining purchasing decisions.

According to Tjiptono (2015), purchasing decisions are a process in which consumers will recognize problems, seek information about certain products or services, that consumers have different internal factors such as cultural, social, and personal. One of the companies with a culinary business in the food sector that is quite in demand. It can be said that the food business at Waroeng Steak and Shake with marketing mix (without violating religious norms and ethics) has succeeded in attracting consumers and is now one of the well-known businesses in Indonesia.

RESEARCH METHOD

This type of research is quantitative research. In this study, Waroeng Steak and Shake will be an object, with the aim of being able to determine the influence of Islamic marketing mix (7p) on consumer purchasing decisions. The location of the study was conducted at Waroeng Steak and Shake Restaurant located in the Special Region of Yogyakarta. This study used primary data obtained using google forms and questionnaires. The population in this study refers more to consumers who have or are about to make purchases at Waroeng Steak and Shake in the Special Region of Yogyakarta. nonprobability purposive sampling approach with purposive sampling type, this study uses quantitative analysis with the Partial Least Square (PLS) method to be able to test existing hypotheses. Partial Least Square (PLS) is a statistical test method of Structural Equation Modeling (SEM).

RESULTS AND DISCUSSION

The results of this study are divided into 2 results, namely outer model and inner model. The outer model itself is divided into 3 stages, namely convergent validity tests, discriminant validity tests, and composite reliability tests. As for the inner model consists of 3 stages, namely *R-Square*, *Q-Square*, and VIF.

Table1. Convergent Validity Test (Outer Model)

Variable	Indicator	Loading Factor	Critical Limits	Information
Price	PC.1	0.767	> 0,7	Valid
	PC.2	0.855	> 0,7	Valid
	PC.3	0.819	> 0,7	Valid
	PC.4	0.757	> 0,7	Valid
Purchasing Decision	PD.1	0.847	> 0,7	Valid
	PD.2	0.842	> 0,7	Valid
	PD.3	0.844	> 0,7	Valid
	PD.4	0.871	> 0,7	Valid
Physical Evidence	PE.1	0.863	> 0,7	Valid
	PE.2	0.795	> 0,7	Valid
	PE.3	0.862	> 0,7	Valid
	PE.4	0.826	> 0,7	Valid
	PE.5	0.772	> 0,7	Valid
Place	PL.1	0.718	> 0,7	Valid
	PL.2	0.798	> 0,7	Valid
	PL.3	0.880	> 0,7	Valid
	PL.4	0.874	> 0,7	Valid
	PL.5	0.804	> 0,7	Valid
Promotion	PM.1	0.770	> 0,7	Valid
	PM.2	0.882	> 0,7	Valid
	PM.3	0.826	> 0,7	Valid
	PM.4	0.892	> 0,7	Valid
	PM.5	0.837	> 0,7	Valid
People	PO.1	0.845	> 0,7	Valid
	PO.2	0.810	> 0,7	Valid
	PO.3	0.815	> 0,7	Valid
	PO.4	0.805	> 0,7	Valid
Product	PR.1	0.879	> 0,7	Valid
	PR.2	0.861	> 0,7	Valid
	PR.3	0.881	> 0,7	Valid
	PR.4	0.843	> 0,7	Valid
	PR.5	0.855	> 0,7	Valid
	PR.6	0.838	> 0,7	Valid
Process	PS.1	0.850	> 0,7	Valid
	PS.2	0.859	> 0,7	Valid
	PS.3	0.862	> 0,7	Valid
	PS.4	0.813	> 0,7	Valid
	PS.5	0.806	> 0,7	Valid

Source: SmartPLS Output Results 2023

In this validity test, the instrument that is free from convergent validity problems is when the *Average Variance Extracted* (AVE) value is above 0.50. While *the outer loading value has a valid indicator if* the outer loading value is above 0.60 (Hair, et al., 2011). Based on table 1, it is known that

all items have met the criteria where the loading factor value exceeds 0.60 and the *Average Variance Extracted* (AVE) value exceeds 0.5.

Table 2. Discriminant Validity Test (Outer Model)

Indicator	Physical Evidence	Price	Purchasing Decision	People	Product	Promotion	Process	Place
PC.1	0.570	0.767	0.487	0.409	0.648	0.490	0.472	0.461
PC.2	0.641	0.855	0.655	0.575	0.599	0.610	0.625	0.631
PC.3	0.579	0.819	0.637	0.561	0.463	0.509	0.608	0.600
PC.4	0.536	0.757	0.605	0.638	0.476	0.467	0.552	0.598
PD.1	0.646	0.661	0.847	0.664	0.510	0.828	0.643	0.708
PD.2	0.576	0.617	0.842	0.608	0.461	0.764	0.624	0.667
PD.3	0.659	0.629	0.844	0.625	0.415	0.610	0.794	0.653
PD.4	0.671	0.650	0.871	0.651	0.485	0.613	0.799	0.657
PE.1	0.863	0.627	0.664	0.508	0.540	0.593	0.748	0.581
PE.2	0.795	0.555	0.550	0.574	0.399	0.461	0.605	0.448
PE.3	0.862	0.669	0.727	0.616	0.605	0.639	0.699	0.669
PE.4	0.826	0.625	0.607	0.507	0.490	0.553	0.627	0.561
PE.5	0.772	0.496	0.511	0.451	0.493	0.455	0.559	0.440
PL.1	0.591	0.539	0.640	0.606	0.470	0.518	0.582	0.718
PL.2	0.487	0.588	0.568	0.604	0.439	0.459	0.523	0.798
PL.3	0.495	0.598	0.636	0.615	0.478	0.622	0.559	0.880
PL.4	0.514	0.617	0.618	0.605	0.541	0.631	0.556	0.874
PL.5	0.604	0.598	0.730	0.567	0.481	0.756	0.594	0.804
PM.1	0.545	0.437	0.542	0.421	0.488	0.770	0.529	0.549
PM.2	0.568	0.576	0.727	0.549	0.489	0.882	0.635	0.694
PM.3	0.516	0.493	0.597	0.422	0.500	0.826	0.601	0.537
PM.4	0.609	0.626	0.785	0.648	0.496	0.892	0.660	0.679
PM.5	0.553	0.575	0.779	0.575	0.455	0.837	0.649	0.643
PO.1	0.554	0.652	0.633	0.845	0.504	0.528	0.603	0.647
PO.2	0.509	0.604	0.570	0.810	0.376	0.506	0.489	0.548
PO.3	0.497	0.505	0.635	0.815	0.349	0.519	0.528	0.597
PO.4	0.559	0.499	0.611	0.805	0.399	0.517	0.566	0.610
PR.1	0.566	0.635	0.512	0.452	0.879	0.555	0.528	0.584
PR.2	0.583	0.603	0.448	0.443	0.861	0.459	0.483	0.506
PR.3	0.546	0.604	0.485	0.476	0.881	0.512	0.505	0.512
PR.4	0.547	0.574	0.524	0.449	0.843	0.538	0.523	0.528

PR.5	0.493	0.523	0.430	0.369	0.855	0.456	0.507	0.499
PR.6	0.441	0.528	0.417	0.362	0.838	0.409	0.454	0.407
PS.1	0.627	0.572	0.764	0.577	0.411	0.616	0.850	0.599
PS.2	0.639	0.594	0.805	0.612	0.466	0.637	0.859	0.614
PS.3	0.711	0.640	0.690	0.546	0.540	0.653	0.862	0.641
PS.4	0.683	0.569	0.590	0.463	0.565	0.590	0.813	0.499
PS.5	0.676	0.612	0.635	0.593	0.494	0.578	0.806	0.537

Source: SmartPLS Output Results 2023

In the discriminant validity test, it is obtained through the criteria of the square root *score of average variances extracted* (AVE) greater than the correlation score of other variables below it (Ghozali & Latan, 2015). Based on table 2, the square value of *average variance extracted* (AVE) is greater than the correlation score of other variables.

Table 3. Reliability Test

Variable	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Physical Evidence	0.882	0.914	0.680
Price	0.813	0.877	0.641
Purchasing Decision	0.873	0.913	0.725
People	0.836	0.891	0.670
Product	0.929	0.944	0.739
Promotion	0.898	0.924	0.709
Process	0.895	0.922	0.703
Place	0.874	0.909	0.668

Source: SmartPLS Output Results 2023

Reliability tests are considered reliable if the *composite reliability* value is above 0.7 and Cronbach's alpha value is recommended above 0.6 (Ghozali & Latan, 2015). Based on table 3 the *value of composite reliability* is above 0.7 and the value of Cronbach's alpha is above 0.6.

Table 4. R-Square (Inner Model)

Variabel	R-Square	R-Square Adjusted
Keputusan Pembelian	0.850	0.846

Source: SmartPLS Output Results 2023

R-Square is useful to determine how much influence exogenous latent variables have on endogenous latent variables, where R-Square which has results of 0.67 and above has shown a large influence, results between 0.33 to 0.67 show moderate influence, and results between 0.19 to 0.33 show weak influence. (Ghozali & Latan, 2015). Based on table 4 R-Square has a great influence because it exceeds the value of 0.67.

Table 5. Q-Square (Inner Model)

Variabel	Q ² (=1-SSE/SSO)	Information
Purchasing Decision	0.606	Has predictive relevance value (Large)

Source: SmartPLS Output Results 2023

Predictive relevance is a test that looks at Q square values to see how well observed values are created using blindfolding techniques. If the Q square value is more than 0, it can be said to have a good observation value, while if the Q square value is less than 0, it can be declared that the observation value is not good (Ghozali & Latan, 2015). Based on the data presented in table 5 the Q-squared value of the dependent variable > 0. Looking at this value, it can be concluded that this study has a good observation value because the Q-square value is > 0 (zero).

Tabel 6. VIF (Inner Model)

Variable	Physical Evidence	Price	Purchasing Decision	People	Product	Promotion	Process	Place
Physical Evidence			3.289					
Price			3.263					
Purchasing Decision								
People			2.618					
Product			2.044					
Promotion			2.870					
Process			3.619					
Place			3.377					

Sumber: Hasil Output SmartPLS 2023

The Variance Inflation Factor (VIF) test is carried out to determine whether there is a problem of multicollinearity / similarity of variants in a data. The limit of occurrence of multicollinearity symptoms if the VIF value is more than 5, if less than 5 then it is free from multicollinearity symptoms (Hair., et al, 2017). Based on the result 6 it can be concluded that all variables have been free of multicollinearity symptoms because the VIF value is less than 5.

Table 7. Hopotesis Test

Variable	Original Sample (O)	Sample Average (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Products > Decisions Purchase	-0.113	-0.119	0.047	2.392	0.017
Price > Purchasing Decision	0.142	0.146	0.069	2.058	0.040
People > Purchasing Decision	0.141	0.136	0.044	3.237	0.001
Place > Purchasing Decision	0.144	0.132	0.062	2.335	0.020
Promotions > Purchase Decision	0.328	0.341	0.072	4.570	0.000
Process > Purchasing Decision	0.329	0.341	0.092	3.568	0.000

Physical Evidence					
> Purchasing Decision	0.054	0.043	0.074	0.726	0.468

Sumber: Hasil Output SmartPLS 2023

The hypothesis is said to be accepted if the Statistical T value is more than 1.96 and the p-value is less than 0.05. The following are the results of PLS bootstrapping analysis as follows:

The effect of Products on Purchasing Decisions.

The results of the first hypothesis test, namely the Effect of Products on Purchasing Decisions, showed a coefficient value of -0.113, a p-value of 0.000, and a t-statistic of 2.392. These results show that the product negatively affects the purchase decision.

The effect of Price on Purchasing Decisions.

The results of testing the second hypothesis, namely the Effect of Price on Purchasing Decisions, showed a coefficient value of 0.142, a p-value of 0.040, and a t-statistic of 2.058. Price influences purchasing decisions. So, the hypothesis that price has a positive effect on purchasing decisions is accepted.

The effect of People's on purchasing decisions.

Hasil pengujian hipotesis ketiga yakni Pengaruh Orang Terhadap Keputusan Pembelian menunjukkan nilai koefisien sebesar 0,141 nilai p-values sebesar 0,001 dan t-statistik sebesar 3.237. Hasil tersebut menunjukkan bahwa Orang Berpengaruh Terhadap Keputusan Pembelian.

The effect of place on purchasing decisions.

The results of testing the fourth hypothesis, namely the Influence of Place on Purchasing Decisions, showed a coefficient value of 0.144, a p-value of 0.020, and a t-statistic of 2.335. These results show that place influences purchasing decisions.

The effect of Promotions on Purchase Decisions.

The results of testing the fifth hypothesis, namely the Effect of Promotion on Purchasing Decisions, showed a coefficient value of 0.328, a p-value of 0.000, and a t-statistic of 4.570. These results show that promotions influence purchase decisions.

The Effect of Process on Purchasing Decisions.

The results of testing the sixth hypothesis, namely the Effect of Process on Purchasing Decisions, showed a coefficient value of 0.329, a p-value of 0.000, and a t-statistic of 3.568. These results show that the process influences purchasing decisions.

The Effect of Physical Evidence on Purchasing Decisions.

The results of testing the seventh hypothesis, namely the Effect of Physical Evidence on Purchasing Decisions, showed a coefficient value of 0.054, a p-value of 0.468, and a t-statistic of 0.726. These results show that physical evidence has no effect on purchasing decisions.

CONCLUSION

Based on the results of the analysis and discussion discussed in the previous chapter, the following conclusions can be drawn: 1), Price has a positive and significant effect on purchasing decisions at Waroeng Steak and Shake in the Special Region of Yogyakarta. 2), People have a positive and significant influence on purchasing decisions at Waroeng Steak and Shake in the Special Region of Yogyakarta. 3), The product does not have a positive and significant effect on purchasing decisions at Waroeng Steak and Shake in the Special Region of Yogyakarta. 4), Place has a positive and significant influence on purchasing decisions at Waroeng Steak and Shake in the Special Region of Yogyakarta 5), Promotion has

a positive and significant effect on purchasing decisions at Waroeng Steak and Shake in the Special Region of Yogyakarta 6), The process has a positive and significant effect on purchasing decisions at Waroeng Steak and Shake in the Special Region of Yogyakarta 7), Physical evidence does not have a positive and significant effect on purchasing decisions at Waroeng Steak and Shake in Special Region of Yogyakarta. Waroeng Steak and Shake to always keep prices affordable for the community, especially the lower middle class. Waroeng Steak and Shake to always maintain the recruitment of human resources by looking at performance qualifications, abilities, curriculum vitae, and discipline so that human resources for the company can work optimally in serving consumers. Waroeng Steak and Shake in making products to be more able to innovate.

REFERENCE

- Adhaghassani, FS (2016). Strategi bauran pemasaran (Marketing mix) 7P (Product, price, place, promotion, people, process, physical evidence) di Cherryka Bakery. Universitas Negeri Yogyakarta.
- Fatihudin, D. dan FA (2019). Pemasaran Jasa: (Strategi, Mengukur Kepuasan Dan Loyalitas Pelanggan). Terbitkan dalam-dalam.
- Ghozali, I., & Latan, H. (2015). Konsep, Teknik, Aplikasi Menggunakan Smart PLS 3.0 Untuk Penelitian Empiris. (1 ed.). Semarang: BP Undip.
- Hair, J., Hult, G., Ringle, C., & Sarstedt, M. (2017). A primer on partial least squares structural equation modeling (PLS-SEM). California: SAGE Publications, Inc.
- Hashim, N., & Hamzah, M. I. (2014). 7P's: A literature Review of Islamic marketing and Contemporary Marketing MIX. *Procedia-Social and Behavioral Sciences*, 130, 155-159.
- Ibrahim, M., & Afif, M. (2020). Pengaruh Motivasi Dan Marketing Mix Islami Terhadap Keputusan Pembelian (Studi Kasus Waroeng Spesial Sambal SS Muntilan Jawa Tengah). *Journal of Islamic Economics and Philanthropy (JIEP)*. E-ISSN, 2655, 335X.
- Indriyati, I. N., Daryanto, A., & Oktaviani, R. (2018). Pengaruh Bauran Pemasaran 7P Terhadap Persepsi Konsumen PT Home Credit Indonesia. *Jurnal Aplikasi Bisnis Dan Manajemen (JABM)*, Vol. 4 No. 2, Hlm. 261-261.
- Kotler, P., & Keller, KL (2016). Manajemen pemasaran (edisi ke-15). New Jersey: Pearson Education Asia Selatan PTe Ltd.
- Manap, 2016. Revolusi Manajemen Pemasaran. Jakarta : Mitra Wacana Media.
- Maria Agatha, W. (2018). Analisis Pengaruh Harga Terhadap Keputusan Pembelian Batik Barong Gung Tulungagung. *Jupeko (Jurnal Pendidikan Ekonomi)*, 3(2).
- Safitri, D. A. (2018). Pengaruh marketing mix terhadap keputusan pembelian pada J. CO Donuts & Coffee Cabang Malang City Point (Doctoral dissertation, Universitas Islam Negeri Maulana Malik Ibrahim).
- Sugiyono. (2015). Metode Penelitian Kombinasi (Mix Methods). Bandung: Alfabeta.
- Kurniawan, Dhika Amalia. dan Mohammad Zaenal, Pengantar Pemasaran Islam, Unida Gontor Press 2018.
- Tjiptono, F. (2015). Strategi pemasaran (Edisi 4). Jakarta: Andi.
- Utami, CW (2016). Manajemen strategi ritel dan implementasi bisnis ritel modern di Indonesia (Edisi ke-3). Jakarta: Salemba Empat.
- Zakharia, M. S., & Sujianto, A. E. (2022). Pengaruh Marketing Mix Syariah (7P) terhadap Minat Beli Konsumen di Rumah Makan Ayam Lodho Pak Yusuf Plosokandang. *El-Mal: Jurnal Kajian Ekonomi & Bisnis Islam*, Vol. 3 No. 5), Hlm. 835-852.