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# MARKETING MIX (4C) CREATES PURCHASING DECISIONS WITH IMPLICATIONS FOR LOYALTY IN SHOPEE PLATFORM USERS

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ARTICLEINFO **ABSTRACT** The revolution in information technology has enabled consumers to make purchasing decisions online. This leads to the argument that marketers should focus on consumer needs and preferences before deciding on product, pricing, channels, or promotion. To achieve this, manufacturers need to switch from the traditional 4P marketing mix to the 4C mix, which emphasizes customer solutions, convenience, cost, and communication. This study aimed to examine the influence of the 4C marketing mix on Keywords: purchasing decisions and its implications for loyalty. The study used a Marketing mix quantitative method, collecting primary data through questionnaires Purchasing decision distributed to 100 Shopee platform users in the city of Bandung. Path Customer loyalty. analysis was used to analyze the data. The results show that consumer, cost, and communication have a significant influence on purchasing decisions, while convenience does not. Furthermore, cost, convenience, and communication have an influence on loyalty, but consumer does not. Purchase decision acts as an intervening variable only in the indirect effect of consumers on loyalty through purchasing decisions, while for the indirect effect of cost, convenience, and communication on loyalty, purchase decisions are not intervening variables. Copyright © 2023 Jurnal Ekonomi. All rights reserved. is Licensed under a Creative Commons Attribution-NonCommercial 4.0 taufikzulfikar16@gmail.com International License (CC BY-NC 4.0)

#### 1. INTRODUCTION

In carrying out marketing activities, companies rely on four variables to determine marketing strategies. The combination of the four variables is known as the marketing mix, which consists of product, price, promotion, and place. These four variables are a set of tactical marketing tools that must be synergized and combined by the company to increase purchasing decisions. Speaking specifically about marketing strategy, it has undergone many changes, and the focus of marketing has become consumer-oriented because the demands and expectations of customers have changed (Kumar et al., 2012).

In this era of intense competition, every company strives to remain competitive by retaining market share and influencing consumer buying decisions. Customers and consumers have become the center of attention in every activity carried out by businesspeople. The evolution of marketing from a production function to a value-based approach has changed the role of consumers, reversing the marketing process from a producer-based approach to a consumer-based approach (Ali et al., 2016) Consumers or customers are often referred to as kings. No service can change consumer decisions when they want to buy or use the services provided. Companies need to carefully study customer desires and improve services to attract customers to use the services offered (Idris, 2021). The 4 C model (Consumer, Cost, Convenience, and Communication) is more consumer-oriented because the focus is on consumers, especially in the internet era (Londhe, 2014).

The revolution in information technology has enabled consumers to make purchase decisions over the internet even before visiting a store. This reality leads to the argument that in this marketing era, marketers need to focus on consumer needs, demands based on wants and preferences before deciding on product parity, pricing strategy, channels, or product promotion. In this case, manufacturers have to break out of the traditional 4Ps (product, price, place, promotion) and implement the 4Cs (customer solution, convenience, cost, and communication) to create a brand image and influence purchasing decisions."

According to Kotler, marketing can be divided into two categories: 4P and 4C. The 4P marketing mix consists of four elements: product, price, place, and promotion. On the other hand, 4C marketing focuses on consumers, cost, convenience, and communication (Kotler et al., 2017). The 4P marketing mix



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explains that if a company wants to market its services, it must take these four elements into account. Meanwhile, the 4Cs focus more on customer satisfaction and needs (Kotler et al., 2017). Consumer mainly refers to customer value. Companies must first understand and research customers and provide products that meet their needs. Consumer digital marketing must be approached from the customer's perspective. The products and services offered should be what customers desire. Marketers should not just offer arbitrary products and services but through constant interaction with customers over time, they should be able to determine what customers really need (Jarad, 2020). According to Stylianou in Idris (2021), convenience in the marketing mix with the 4C concept means making it easy for customers to obtain goods and services they need. Convenience also refers to the ease of service delivery or product purchase location. These elements are essential in attracting customers to use a company's services or purchase its products. Convenience is about providing customers with the best shopping and user experience. Communication involves providing customers with information about store locations, goods, services, prices, and communicating value; influencing consumer attitudes and preferences, and persuading consumers to visit stores and purchase goods (Wang, 2020).

According to Stylianou (in Idris, 2021), price is an important part of the cost required to meet the needs or desires of consumers. Consumers have to sacrifice many costs to get the goods and services they want. Therefore, the strategy in setting prices for products and services must be affordable and the products and services provided must also be equivalent to their value. Cost is a sensitive issue in marketing. The first step in digital marketing pricing is to align the value of a product with what online customers are willing to pay for it (Jarad, 2020).

Stanton (2017) claims (in Idris, 2021) that communication between entrepreneurs and users is essential to attract consumers to use the product or service. According to Kar (in Idris, 2021), using the right communication channels to communicate with users can make marketing campaigns successful, and this is one of the most effective marketing strategies that marketers need to implement. Two-way communication between entrepreneurs and consumers can encourage them to exchange opinions and improve the services they provide. Communication in digital marketing is more about communication than promotion. The strategy is to get the customer to engage with what the marketer is saying about their goods and services, and to be available in real-time to answer questions and provide feedback (Jarad, 2020).

Quality products that can meet the needs and desires of consumers, affordable prices, convenience in the purchasing process both digitally and conventionally, and well-communicated value are marketing efforts made to convert interest into purchasing decisions. A purchase decision is a decision to choose an action from two or more alternative choices (Schiffman & Kanuk, 2008). Purchasing decisions are often considered a process whereby consumers evaluate alternative products with strength as an attribute (Hadiyati, 2016). The more accepted model of consumer behaviour suggests that the consumer decisionmaking process occurs because consumers seek and evaluate available information to make purchasing decisions (Hadiyati, 2016).

This research aims to examine and analyze how the 4C marketing mix creates purchasing decisions that have implications for consumer loyalty. Some articles that discuss the 4C marketing mix as a study include those conducted by (Chai Lee Goi, 2009; Eavani & Nazari, 2012; Ikechi et al., 2017; Kumar et al., 2012; Londhe, 2014), while previous studies that discuss the relationship between the 4C marketing mix and consumer behavior include (Ali et al., 2016; Chen, 2020; Siripipattanakul et al., 2022; Wang, 2020), with the results showing that the 4C marketing mix can influence consumer behavior. Previous research that discusses the relationship between the 4C marketing mix and marketing strategies includes (Febriyantoro & Arisandi, 2019; Jarad, 2020), with the results showing that the 4C marketing mix can be used as a marketing strategy to create a competitive advantage or increase sales.

#### 2. **METHOD**

Quantitative methods were used in this study, with primary data collected through questionnaires distributed to respondents. The respondents for this study were 100 Shopee platform users in Bandung City, sampled through probability sampling using random sampling techniques. The characteristics of the respondents are presented in Table 1 below:

Table 1: Characteristics of Respondents

Keterangan	Frekuensi	Persentase (%)
Gender		
Female	63	63



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Male	37	37	
Age			
< 24 years	45	45	
25 – 34 years	30	30	
35 – 45 years	20	20	
> 45 years	5	5	
Occupation			
Students	35	35	
State-owned enterprise workers	20	20	
Entrepreneurs	29	29	
Private workers Private business	5	5	
Others	11	11	

Based on Table 1 above, it can be concluded that the users of the Shopee platform in Bandung City are predominantly women, accounting for 63%. Around 75% of the users are under 34 years old, with 35% being students or having student jobs.

The analytical tool used in this study is path analysis. Before testing the hypothesis, a quality test of the instrument is conducted, which includes validity test, reliability test, and normality test. The path analysis equation model can be seen in Figure 1.

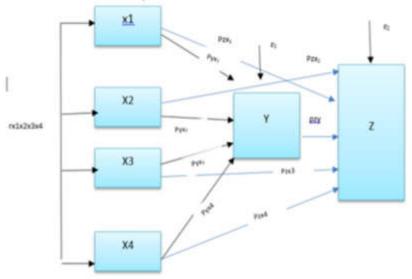


Figure 1. Path Analysis Equation Model.

#### Description:

X1 : Consumer

X2 : Cost

Х3 : Convenience

X4

: Communication Y : Purchase Decision

Z : Loyalty

 $rx_1x_2x_3x_4$  = Correlation coefficient of Consumer, Cost, Convenience, and Communication

 $\rho yx = 4C$  path coefficient on purchasing decisions

 $\rho$ zy = Decision path coefficient on loyalty

 $\rho zx = 4C$  path coefficient on loyalty

 $\varepsilon$  = Epsilon

Based on Figure 1, the path analysis equation model, the equation for sub structure 1:

 $Y = \rho yx1.X1 + \rho yx2.X2 + \rho yx3.X3 + \rho yx4.X4 + \epsilon 1$  (1)

Based on Figure 1 path analysis equation model, the sub-structure 2 equation:

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 $Z = \rho z x 1.X1 + \rho z x 2.X2 + \rho z x 3.X3 + \rho z x 4.X4 + \rho z y Y + \varepsilon 2$  (2)

Based on Figure 1, the path analysis equation model, the hypotheses of this study are:

**Hypothesis 1**: Consumer has a significant effect on purchasing decisions.

**Hypothesis 2**: Cost has a significant effect on purchasing decisions.

Hypothesis 3 : Convenience has a significant effect on purchasing decisions.Hypothesis 4 : Communication has a significant effect on purchasing decisions.

Hypothesis 5 : Consumer has a significant effect on loyalty.Hypothesis 6 : Cost has a significant effect on loyalty.

Hypothesis 8 : Convenience has a significant effect on loyalty.

Hypothesis 8 : Communication has a significant effect on loyalty.

**Hypothesis 9**: Purchasing decisions have a significant effect on loyalty.

#### 3. RESULTS AND DISCUSSION

After testing the quality of the instrument in the form of a validity test, reliability test, and normality test, the path coefficient numbers of the sub-structure 1 are obtained, as shown in Table 2.

Table 2: Path Coefficients of Substructure 1

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( )	ωt	t1	C	P	n	tsa

		Unstanda Coefficien		Standardized Coefficients	l	
Mod	del	В	Std. Error	Beta	t	Sig.
1	(Constant)	24,915	4,336		5,746	,000
	consumer	,304	,148	,488	3,053	,043
	cost	,257	,145	,468	3,778	,009
	convenience	,006	,183	,113	,035	,972
	communication	,761	,132	,527	5,767	,000

a. Dependent Variable: purchase decision

From table 2, the regression equation of sub-structure 1 is obtained as follows:

 $Y = 0.488X1 + 0.468X2 + 0.113X3 + 0.527X4 + \varepsilon 1$  (3)

Based on equation (3) it can be concluded that the coefficient number on the independent variables (consumer, cost, convenience, communication) shows a positive value, which means that the effect of the independent variables on the dependent variable (purchase decision) is unidirectional. This means that if the independent variable increases, the dependent variable also increases, and vice versa. Furthermore, hypothesis testing is carried out to test the hypotheses:

**Hypothesis 1** states that consumer has a significant effect on purchasing decisions. Based on table 2, the t count of 3.053 is greater than t table 1.660, and the significance value of 0.043 is smaller than 0.05. Therefore, it can be proven that hypothesis 1, which states that consumer has a significant effect on purchasing decisions, is true.

**Hypothesis 2** states that cost has a significant effect on purchasing decisions. Based on table 2, the t count of 3.778 is greater than t table 1.660, and the significance value of 0.009 is smaller than 0.05. Therefore, it can be proven that cost has a significant effect on purchasing decisions.

Hypothesis 3 states that convenience has a significant effect on purchasing decisions. Based on table 2, the t count of 0.035 is smaller than t table 1.660, and the significance value of 0.972 is greater than 0.05. Therefore, it can be concluded that convenience does not have a significant effect on purchasing decisions. This means that hypothesis 3, which states that convenience has a significant effect on purchasing decisions, is not true.

**Hypothesis 4** states that communication has a significant effect on purchasing decisions. Based on table 2, the t count of 5.767 is greater than t table 1.660, and the significance value of 0.000 is smaller than 0.05. Therefore, it can be proven that communication has a significant effect on purchasing decisions.

Table 3 Path Determination Coefficient of Substructure 1

Model Summarv

model Summary						
Model	R	R Squa	are Adjuste	d R Square Std. Error of the Estimate		
1	,923a	,873	,843	2,198		

a. Predictors: (Constant), consumer, cost, convenience, communication



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#### b. Dependent Variable: purchase decision

Table 3 shows an R-Square value of 0.873, which means that the four independent variables (consumer, cost, convenience, communication) contribute to 87.3% of the influence on purchasing decisions, while the remaining 12.7% is attributed to other variables not examined in this study.

From Table 4 the regression equation for sub-structure 1 can be obtained as follows:  $Z = 0.133X1 + 0.346X2 + 0.336X3 + 0.609X4 + 0.749Y + \epsilon 1$  (4) Based on equation (4) above, it can be concluded that the coefficient values for the independent variables (consumer, cost, convenience, communication, purchasing decisions) are positive, indicating that the effect of the independent variables on the dependent variable (loyalty) is unidirectional. This means that if the independent variable increases, the dependent variable also increases, and vice versa. Furthermore, hypothesis testing was conducted to test the following hypotheses:

Table 4 Path Coefficients of Substructure 2

Coe	Coefficientsa							
		Unstandardized Coefficients		Standardized				
				Coefficients t		Sig.		
Model		В	Std. Error	Beta				
1	(Constant)	9,875	3,870		2,552	,012		
	Consumer	,135	,116	,133	,304	,762		
	Cost	,549	,113	,346	3,319	,000		
	Convenience	,449	,141	,336	3,348	,025		
	Communication	,508	,118	,609	5,070	,005		
	Purchasing Decision	,910	,079	,749	6,262	,000		

a. Dependent Variable: Consumer Loyalty

**Hypothesis 5** states that consumer has a significant effect on loyalty. Based on Table 4, the t-count value of 0.304 is smaller than the t-table value of 1.660, and the significance value of 0.762 is greater than 0.05. Therefore, it can be concluded that consumer has no significant effect on loyalty, and Hypothesis 5 is not proven.

**Hypothesis 6** states that cost has a significant effect on loyalty. Based on Table 4, the t-count value of 3.319 is greater than the t-table value of 1.660, and the significance value of 0.000 is smaller than 0.05. Therefore, it can be proven that cost has a significant effect on loyalty.

**Hypothesis 7** states that convenience has a significant effect on loyalty. Based on Table 4, the t-count value of 3.348 is greater than the t-table value of 1.660, and the significance value of 0.025 is smaller than 0.05. Therefore, it can be proven that convenience has a significant effect on loyalty.

**Hypothesis 8** states that communication has a significant effect on loyalty. Based on Table 4, the t-count value of 5.070 is greater than the t-table value of 1.660, and the significance value of 0.005 is smaller than 0.05. Therefore, it can be proven that communication has a significant effect on loyalty.

**Hypothesis 9** states that purchasing decisions have a significant effect on loyalty. Based on Table 4, the t-count value of 6.262 is greater than the t-table value of 1.660, and the significance value of 0.000 is smaller than 0.05. Therefore, it can be proven that purchasing decisions have a significant effect on loyalty.

The results also indicate that the purchasing decision variable acts as a mediating or intervening variable only in the indirect effect of consumer on loyalty through purchasing decisions, while for the indirect effect of cost, convenience, and communication on loyalty, purchasing decisions are not intervening variables.

Table 5. Path Determination Coefficient of Substructure 2  $\,$ 

**Model Summary** 

Model Summary						
Model	R	R Squa	are Adjuste	d R Square Std. Error of the Estimate		
1	,907a	,843	,808,	2,690		

Predictors: (Constant), consumer , cost, convenience, communication. Purchase decision

Dependent Variable: consumer loyalty



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Table 5 shows an R-Square value of 0.843, indicating that the five independent variables (consumer, cost, convenience, communication, and purchasing decisions) contribute 84.3% towards influencing loyalty, while the remaining 15.7% are other variables not examined in this study.

#### 4. CONCLUSION

From the results of the study, it can be concluded that consumer, cost, and communication have a significant influence on purchasing decisions for Shopee platform users in Bandung City, while convenience has no impact on purchasing decisions. Additionally, the study finds that consumer does not significantly influence the loyalty of Shopee platform users in Bandung City, while cost, convenience, and communication do have an impact on loyalty. The study also reveals that the purchasing decision variable only functions as a mediating or intervening variable in the indirect effect of consumers on loyalty through purchasing decisions. However, for the indirect effect of cost, convenience, and communication on loyalty, purchasing decisions are not intervening variables.

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