

Analysis of Consumer Purchase Decisions in Tangerang Old Market with Consumer Satisfaction as an Intervening Factor

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ABSTRACT

The old market is a historical place in the Tangerang City area which is very related to trade activities in the city of Banten during the colonial era. Trade activities in this area have been running since ancient times where this area is a residential area or village whose residents have indeed become traders and carry out trading activities. The development of the old market that lasted for several decades is the reason for this research. This study is to find out what factors in the marketing mix satisfy consumers so that they finally decide to make the desired culinary purchase at Tangerang Old Market. With causal research and using the PLS (Partial Least Squares) analysis method, we can find out how strong the relationship is formed between each latent variable and the indicators in it and find out how much satisfaction is generated by the marketing mix factor so as to strengthen consumer purchase decisions. Based on data from 100 valid questionnaires obtained, it is known that the latent variables studied have been represented by their indicators and these variables are reliable. And it turns out that the factors of the marketing mix contribute 24.9% to the purchase decision with the dominant factors that provide satisfaction to consumers are the product factor and the price factor with values of 2.907 and 2.740 (t table = 0.67711), while other factors such as place and promotion are not too influential (values 0.562 and 0.525).

Keywords: Marketing Mix, Consumer Satisfaction, Purchase Decision, Tangerang Old Market

INTRODUCTION

The city of Tangerang has many historical places including the best places to do culinary tourism. Tangerang Old Market is one of the most popular locations in the Tangerang area. According to (Rakhmat Nur Hakim, 2022) it is stated that the Old Market is one of the economic pulses and icons of the City of Tangerang where currently the Old Market is 30 years old. Meanwhile, (Natasya M, 2021) in her article explained that previously this area was a residential area or village whose residents had become traders and carried out trading activities which were then arranged as culinary surveillance in 2012 under the name of the Tangerang City Old Market Culinary Area. (Zoel, 2020) in his article stated that almost most of the culinary in Pasar Lama does not have branches or can only be found there and that is one of the attractions for visitors to continue to come to Tangerang Old Market to do culinary tourism.

Table 1. List of Must-Taste Foods at Tangerang Old Market

It	Type of Food
1	Sate Ayam H Ishak □ Has been around since 1954, the prices offered are very affordable (Rp. 20,000, and Lontong Rp. 5000)
2	Chicken Porridge Ko Iyo □ Has been selling since 1966, has 2 branches in the area and has a large portion
3	Es Podeng DP Vania □ Has been around since the 1990s with a price of Rp.10 thousand per serving
4	Roti Canai India □ offers other Indian specialties, with chefs who come directly from India so that the authenticity of the taste is maintained
5	Porridge and Noodles Crab Hokie □ there are pieces of crab both in the porridge and noodles, or in other words have a unique taste with prices starting from Rp. 20 – 40 thousand portions
6	Special Chicken Porridge 'Family'Pak Beng □ Chicken porridge with various toppings, which operates from ja, 3 pm – 12 pm
7	Bakso Mas Gino □ Sells meatballs, vein meatballs and special meatballs, with operational hours: 09.00 – 22.00 WIB
8	Jabat Kopi □ Selling by using a cart in serving manual coffee Kopi Kong Djie □ It has been established since 1943 with mainstay products in the form of black coffee and Malay milk coffee which are sold from morning to night
9	Kopi Kong Djie Belitung □ Has been established since 1943 with mainstay products in the form of black coffee and Malay milk coffee which are sold from morning to night
10	Nasi uduk Encim Sukaria □ has been around since 1960 and has now been managed by its second generation. The name Sukaria, because this uduk rice used to be sold in the Sukaria alley in the Kapling area, Tangerang
11	This legendary asinan Liu Lan Jin □ asinan has been selling since 1967, they are open from morning to noon. The location is close to the Boen Tek Bio Temple
12	Various types of snacks, satay and drinks

Source : Observation Results

With many legendary culinary delights in the Old Market, the Tangerang City Government is trying to rearrange the Old Market so that it is free from the practice of pungli (illegal levies) that had disturbed traders and buyers who came. And based on an article belonging to (Rumahdotcom, 2021) here are some reasons why the old Tangerang market is always crowded with visitors, including:

- a. Location not too far from Jakarta
- b. The majority of food and beverages offered do not have branches in other locations
- c. It is one of the historical relics of the Chinese Benteng, so we can find various types of Chinese New Year trinkets and snacks to seasonal takjil (during the fasting month)



Figure 1. The atmosphere of Tangerang Old Market

Source : (Zoel, 2020) and (Rumahdotcom, 2021)

And based on the above background, the author intends to research on **Consumer Purchase Decisions in the Tangerang Old Market with Consumer Satisfaction as an Intervening Factor.**

RESEARCH METHODS

A. Research Design

The design of this study is causal because it was made to determine the causal relationship between variables through hypothesis testing using the Multivariate method with a *Structural Equation Modeling - Partial Least Squares* (SEM-PLS) analysis which aims to find out how much the relationship between each indicator and the latent variables in the Marketing Mix (X1 to X4) forms satisfaction (Z) and influences purchase decisions (Y). One of the purposes of using multivariate analysis according to Hair et al. (2013) in (Sholihin & Dr. Dwi Ratmono, 2020) is to confirm (*primarily confirmatory*) something and is carried out for hypothesis testing based on concepts and theories.

B. Type, Source, and Data Collection

1. Types and Data Sources

The data in the study is Primary Data obtained directly through questionnaires and Secondary Data using data that has been collected by other parties or indirect data (books, journals, articles and others).

2. Population and Sample

- a) **POPULATION** □ All visitors to Tangerang Old Market
- b) **SAMPLE** □ 100 people (based on Sugiono's theory in (Silaswara, 2020))

3. Data Collection Techniques

Secondary data collection was carried out from February to April 22022, while to obtain primary data, the author used a survey method by distributing questionnaires for 10 (ten) days, namely on March 24 – April 02, 2022.

C. Nature and Method of Analysis

The nature of this study is quantitative using the *Structural Equation Modeling - Partial Least Squares* (SEM PLS) analysis method, where this analysis method is prioritized to measure the strong relationship between indicators and their latent variables, because not all indicators will have the same strong relationship with the related latent variables. And for the processing of questionnaire answers, a likert scale is used which divides the answers into 5 value categories, namely: Strongly Agree = 5, Agree = 4, Neutral = 3, Disagree = 2, Strongly Disagree = 1. Therefore, this questionnaire is categorized as a closed questionnaire because the respondent's answer choice has been determined by the researcher.

DATA ANALYSIS

A. Identification of Respondents

The distribution of the questionnaire obtained responses from 105 respondents of which 100 respondents were valid and 5 were invalid.

Table 2. Respondent's Identity

Number	Category	Choice	Sum	Total
1	Have you ever had a culinary tour in Ps Lama	Ever	100	105
		Not	5	
2	Domicile	Tangerang City and Tang Cell	95	105
		Jakarta	7	
		Bogor	0	
		Depok	1	
		Bekasi	0	
		In addition to Jabodetabek	2	
3	Gender	Man	43	105
		Woman	62	
4	Age	Under 20 years old	8	105
		Above 20 - 25 years old	54	
		Above 25 - 30 years old	6	

		Above 30 - 35 years old	13	
		Above 35 - 40 years old	3	
		Above 40 years old	21	
5	Education Level	Under High School	7	105
		High School and Equivalent	0	
		Diploma	5	
		Bachelor	74	
		Master	15	
		Doctoral	0	
		Other	4	

Source : Questionnaire Results

B. Questionnaire Test Results

And from the results of the questionnaire test with the SEM-PLS analysis tool and after selecting the research indicators, the path algorithm was obtained as follows:

Table 3 Validity and Reliability

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Med	0,83	0,844	0,876	0,544
X1	0,687	0,699	0,803	0,506
X2	0,853	0,864	0,891	0,578
X3	0,735	0,749	0,83	0,55
X4	0,873	0,958	0,901	0,604
Y	0,627	0,632	0,801	0,575

Source : Questionnaire Results

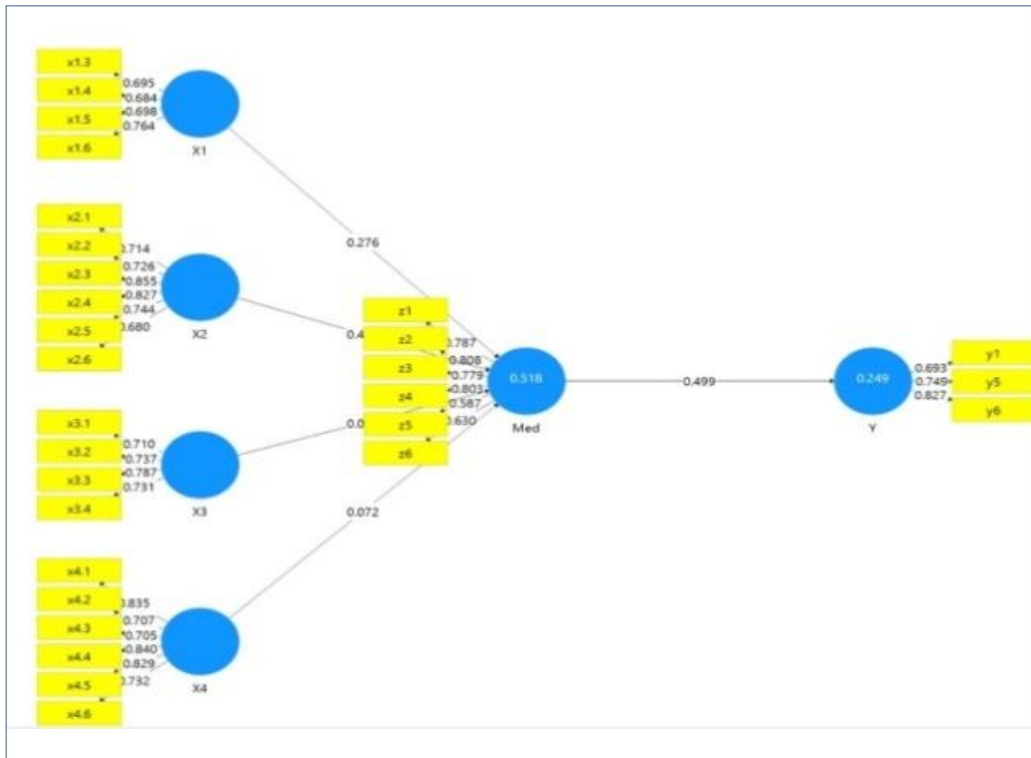


Figure 2. Algorithm Path Source : Questionnaire Results
Source : Questionnaire Results

Table 4 Path Coefficients

	Med	X1	X2	X3	X4	Y
Med						0,499
X1	0,276					
X2	0,426					
X3	0,061					
X4	0,072					
Y						

Source : Questionnaire Results

Table 5. R Square and Adjust R Square

	R Square	R Square Adjusted
Med	0,518	0,498
Y	0,249	0,241

Source : Questionnaire Results

Based on the figures and tables of the results of the questionnaire above, the conclusions obtained:

1. **Picture 2** □

- a. the results obtained can be seen that from the factors in the Marketing Mix, the relationship that occurs between each latent variable and all its indicators is not entirely significant.

b. There are several indicators that are not significant: (1) indicators of product cleanliness, quality as desired, products are well-known in the **latent variables of the product**, (2) indicators of the absence of discounts in the **latent variables of prices** (3) indicators of gaining new experience and being happy with the old market situation **latent variables of satisfaction** (4) indicators of consumers looking for information first before coming there to **Latent Variables of Purchase Decisions**

2. **Table 2** □ from the values obtained can be seen that the latent variables X1 (product) and X2 (price) are the latent variables that have the most influence on consumer Y (purchase decision) in Pasar Lama Culinary Tourism

3. **Table 3** □

a) **AVE value (Convergent Validity Testing)** □ According to (Hidayat, 2018), a variable can be said to be valid if the average value of the extract variant (AVE) is more than 0.5, and because the value is above 0.5 which means that the latent variable is already represented by the indicators in it.

b) **Composite Reliability** □ The Composite Reliability value in the table above has a value above 0.6, meaning that the latent variable is reliable, based on proprietary theory (Hidayat, 2018).

c) **Cronbach's Alpha** □ (Mustafa & Wijaya, 2012) quotes a statement from Nunnally (1981) who theorizes that the recommended reliability coefficient value is at least 0.6 and all values are seen above 0.6 which means that all latent variables have ideal reliability

4. **Table 4** □

a) The R^2 obtained is 0.249, which shows that Old Market consumers feel that their satisfaction with the factors in the marketing mix (4P) has only succeeded in contributing as much as 24.9% in shaping their purchase decisions and as much as the remaining 75.1% is influenced by factors outside the mix

b) Some of the other factors are assumed by the author as: the need for food, the need for entertainment (culinary tourism), no choice, curiosity and so on

5. Hypothesis Testing

Table 6. Table of *T-Values*

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Med -> Y	0,499	0,501	0,098	5,112	0,000
X1 -> Med	0,276	0,286	0,095	2,907	0,004
X2 -> Med	0,426	0,368	0,156	2,740	0,006
X3 -> Med	0,061	0,089	0,109	0,562	0,574
X4 -> Med	0,072	0,127	0,138	0,525	0,600

Source : Questionnaire Results

- a. **FIRST HYPOTHESIS TEST** □ In table 5 above, the value of t Test $(100-6) > t$ table $(n-k)$ (**2.907 > 0.67711**), this proves that the PROVEN hypothesis of variable X1 has an effect on the variable Z (Median)\
- b. **SECOND HYPOTHESIS TEST** □ The table above states that the t-value of Test $(100-6) > t$ -table $(n-k)$ (**2,740 > 0.67711**), proves that the PROVEN hypothesis of variable X2 has an effect on the variable Z (Median)
- c. **THIRD HYPOTHESIS TEST** □ The test values obtained are: test t value $(100-6) > t$ table $(n-k)$ (**0.562 < 0.67711**), this proves that the hypothesis is NOT PROVEN variable X3 has an effect on the Z variable (Median)
- d. **FOURTH HYPOTHESIS TEST** □ Based on the table above, it is known that the value of t Test $(100-6) > t$ table $(n-k)$ (**0.525 < 0.67711**), this proves that the hypothesis is NOT PROVEN that variable X4 has an effect on the variable Z (Median)
- e. **FIFTH HYPOTHESIS TEST** □ Table 5 above explains that the t-value of Test $(100-6) > t$ -table $(n-k)$ (**5.112 > 0.67711**), this proves that the PROVEN hypothesis of the Z variable (Median) has an effect on the Y variable

CONCLUSION

This study is proof that consumer satisfaction with factors in the marketing mix is very related so as to increase purchase decisions because all the hypotheses proposed are proven, namely the indicators tested in relation to their respective latent variables. The latent variables that provide a sense of satisfaction based on the results of the questionnaire are product and price variables, but there are several things that have just been found that Old Market consumers do not care about product cleanliness, do not mind whether there is a discount at the time of purchase. The marketing mix (4P) forms the satisfaction of old market consumers by 51.8%, and that satisfaction forms 24.9% of consumer purchase decisions, In the results of the hypothesis test, it is also proven that the first and second hypotheses are proven, so product and price factors are the dominant ones that form consumer satisfaction, while the third and fourth hypotheses are not proven.

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