

The Analysis of Marketing Mix toward Behavior Intention: TCASH Case in Bandung (Quantitative – Pilot Study)

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Abstract: Rapid development of electronic money presents a great opportunity for business players. A High number growing of E-Money become trigger factors of financial industrial growth. As electric money providers TCASH serve services with a lot of advantage towards their customer. From Bank Indonesia graphic, TCASH became one of highest ranking regarding their subscribers. Unfortunately, not many of Telkomsel subscribers use TCASH as their payment method. In fact TCASH is one of Telkomsel products and TCASH have a lot of promotion and merchant can benefit the user itself. This project focuses on determining whether the items of the research are valid and reliable based on the pilot study. The respondents only included 30 people with the category of TCASH non-active users in Bandung, Indonesia. Based on the result, almost all of the items are valid and reliable. Only one items that is not valid, because it is not valid the item needs to be deleted.

Keywords: Behavior Intention, Electronic Payment, Marketing Mix, TCASH, Telkomsel

1. Introduction

Electronic money has become one of attractive payment method in Indonesia. It can be seen by the increasing number of users that using the Electronic money. Based on Bank Indonesia data, they are 25 companies that launch electronic money as one of their product. From the beginning of 2017 to July 2017 the amount of electronic money in circulation also continues to increase. Earlier this year, the number of electronic money in circulation was recorded at 52.7 million cards and continued to increase until the end of September 2017 to 71,7 million cards, and is expected to increase further[1].

Telkomsel is one of the companies that use E-Money as one of their business called “TCASH”. Based on the market shared by the subscriber numbers TCASH is one of the highest ratings. Even though, The increasing of E-Money transactions, TCASH still have a problem that they face in order to complete their goals in 2017. At the previous researcher mention that TCASH faced the low active users issues. But, when the author interview with one of the manager in TCASH he said that the low of active users is one the main issues but in order to reach their goal in 2017 they also have another main issues.

So, from the other main issues the aim of this research is to determine the reasons or factors that makes Telkomsel user’s not using it and stop using it. Which is means to see Non-TCASH user’s behaviour. Based on fact, Only 40Million people using TCASH from 173,9 Telkomsel subscriber’s. Based, on interview and pre-survey the researcher get that promotion, product, distribution, etc. can be one of the factors toward behavior intention of TCASH non-active users.

2. Literature Review

The marketing concept was founded in the mid-1950s. Instead of a product-centered, “make-and-sell” philosophy, business changed into a customer-centered, “sense-and-respond” philosophy. So, In order to meet and identify human and social needs we need marketing as tool. The shortest of a good definition of marketing is “Meeting needs profitably” [2]. The other definition comes from Burnett, said that marketing is one of the functions applicable to every business. The functions included; research, production, finance, accounting, and other functions, marketing is the key to make the ability of a business become succeed. In the businesses, marketing probably supposed to be the highest importance; in others, it might be entrusted to a lesser role. In the reality business depends on the company result from their successful products and services, which in turn rely on successful marketing. From that, we can conclude that every business’s person will get many benefits from only basic marketing knowledge [3].

Marketing mix founded by E. Jerome McCarthy in 1960, in order to help marketers decides a product or services that they gain as a tool for them. The combination of marketing strategy tool used by on company is called “Marketing mix”. Marketing mix is delivered the marketing purpose and control variable in a target market [4].

In the marketing mix there are 4Ps and 7Ps strategy for the company. In this research the researcher using 7Ps.

Product -a result of process that influenced by market forces that provided by the operation in terms of procuring goods on basis costs and the function of marketing in terms of understanding the customers’ needs and behavior.

Price, -is the amount of money that needs to get a combination of items accompanied by the provision of

services. Price is the element of the marketing mix that is flexible, wherein any time the price will be stable within a certain time but within moments the price may also be increased or decreased and is also the only element that generates revenue from the sale.

Place or we can call as "distribution", -as a set of interdependent organizations include in the process of making a product available for use or consumption by consumers.

Promotion, -the definition of promotion according to Stanton is: "Promotion mix is the combination of selling operations, sales person, and public relations. Promotion tells us about the decision of how best to the related product to the target market and to persuade consumer to buy it.

People, -the interaction is important, because it can influences customer perception. In other words, the communication between people can normally influence an organization's success, and more communication, training, skills, learning, etc.

Process, -is determined the quality of services. The driver of services provider is their employees themselves. In order to guarantee the quality of service (quality assurance), the company's operations must be executed in accordance with standardized systems and connected to the other elements to achieve corporate value proposition.

Physical evidence, -is one of important key factor to increase customer satisfaction because this aspect is the physical evidence of the services offered by the company. Physical evidence is one of affects customer's satisfaction to purchase and consume goods or services offered.

Marketing mix strategy tools is the X variables and the Y variable is Behavior Intention. The behavioral intention applied in this study will be used to measure the likelihood that a person will employ this application, word-of-mouth (referral) [5] and purchase intention (or intentions to purchase). Behavioral Intention is defined as the degree to which a person will adopt and use online collaboration application in the future [6].



Figure 1: The Proposed Model

3. Measurement

In order to test the proposed model for this research, the researcher needs to measure the validity and reliability. To gain validity result, the first steps to do is Content Validity. Content Validity is when the author checked the questionnaire items from the previous studies and change into the needs of the authors. In this research the researcher made some modifications to match with the research. According to the Indrawati (2017:194), All the items and modifies used by the researcher from the previous studies that already been publish either in international or national journals that has accreditations [7]. All of the items could measure the intention of TCASH non-active users in Bandung, Indonesia from the items mention; Product, Price, Place, Promotion, People, Process and Physical Evidence and Behavior Intention. After the items are modified and adopted the researcher meets with three expert in the field of marketing, TCASH and digital technology. The expert is needed to give more suggestion and correction in order to develop the questioner to be readable. After the researcher did the revision from the expert, we conduct the validity test to make sure the respondent didn't get confused. Last but not least, the researchers conducted the readability test to make sure the respondent can fulfill the questioner without confusion.

The items used to measure the variables in this study adopted from several previous literatures after the validity test. The operationalization of variables is shown in table 1:

Table 1: The variables and the items

Variable	Items in the research
Product (PA)	In my opinion, TCASH is able to perform its designated function well.
	In my opinion, TCASH infrastructure network supports the transactions using TCASH.
	In my opinion, TCASH is a well-known brand
	In my opinion, TCASH Has diverse uses (eg shopping with TAP, bill payments, online payments, etc.)
Price (PB)	In my opinion, TCASH TAP is affordable.
	In my opinion, TCASH price is appropriate for its quality.
	In my opinion, TCASH clearly inform about the price charge.
	In my opinion, TCASH administration fee through ATM / Indomaret I do not think it burdens me.
Place (PC)	In my opinion, the location of T-CASH TAP seller is easy to found.
	In my opinion, it is easy to order TCASH TAP in TCASH website.
	In my opinion, TCASH have many partners' varieties. (Ex: Chat time, Jungle land, etc)
Promotion (PD)	In my opinion, The Sales promotion is attractive me to purchase this service
	In my opinion, There are many electronic advertisements on the media about TCASH promotion (e.g. TV, Radio, Website, and Social Media.)
	In my opinion, TCASH website gives me the information about the sales promotion.
	In my opinion, TCASH Merchant employees are very helpful to inform me about TCASH

	promotion
People (PE)	In my opinion, Grapari customer services inform me about TCASH.
	In my opinion, Grapari employees specialize all about TCASH.
	In my opinion, Indomaret employees have a quick response about TCASH TAP.
	In my opinion, Indomaret employees tell me about selling the TCASH TAP.
Process (PF)	In my opinion, TCASH transaction in The merchant finished in short time rather than use cash.
	In my opinion, Using TCASH the payment becomes easy.
	In my opinion, the transaction after using TCASH benefit me such as; the discount
	In my opinion, the process of TCASH top up is easy.
Physical Evidence (PG)	In my opinion, TCASH have website that can give me clear information about TCASH.
	In my opinion, Their website has a good Interface.
	In my opinion, TCASH social media is communicative in giving the information (Ex: Facebook, Instagram, Twitter and Youtube)
	In my opinion, I can access transaction and top-up of TCASH
Behavioural Intention (BI)	In the future, I plan to use TCASH services provided by Telkomsel because it is fulfill my needs.
	In the future, I will recommend my friends to use TCASH service provided by Telkomsel.
	In the future, I will use TCASH services provided by Telkomsel as my daily payment
	In the future, I will always use TCASH services provided by Telkomsel.

Pedhazur, 1991) in Indrawati (2015:155) [8]. The result of Cronbach Alpha presented in Table 4. Almost all the Variables are having a good reliability.

Table 2: The validity result using CITC

Variables	Items	Corrected Item-Total Correlation	Valid or Not Valid
Product	PA 1	0,575	Valid
	PA 2	0,289	Invalid
	PA 3	0,597	Valid
	PA 4	0,563	Valid
Price	PB 1	0,734	Valid
	PB 2	0,623	Valid
	PB 3	0,593	Valid
	PB 4	0,577	Valid
Place	PC 1	0,514	Valid
	PC 2	0,659	Valid
	PC 3	0,803	Valid
	PC 4	0,762	Valid
Promotion	PD 1	0,479	Valid
	PD 2	0,711	Valid
	PD 3	0,721	Valid
	PD 4	0,554	Valid
	PD 5	0,399	Valid
People	PE 1	0,544	Valid
	PE 2	0,650	Valid
	PE 3	0,673	Valid
	PE 4	0,411	Valid
Process	PF 1	0,435	Valid
	PF 2	0,642	Valid
	PF 3	0,737	Valid
	PF 4	0,670	Valid
Physical Evidence	PG 1	0,759	Valid
	PG 2	0,539	Valid
	PG 3	0,551	Valid
	PG 4	0,477	Valid
Behaviour Intention	BI 1	0,647	Valid
	BI 2	0,633	Valid
	BI 3	0,694	Valid
	BI 4	0,650	Valid

4. Method and Result

The researcher uses a pilot study which means that the researcher conduct a small sample with the sample size 30 respondents only for testing the validity and readability of each items. This research calculated by using SPSS 23. According to Friedenberg and Kaplan in Indrawati (2015: 149) to conducting the validity test is using “Corrected Item – Total Correlation” (CITC) method. The correlation coefficient is needs to be > 0.3 to be valid [8]. The researcher is using another method to determine the validity. The other method called “Person Correlation”. Referring to the validity test by using Pearson correlation, a total of 30 respondents were involved to test the validity and reliability of these questionnaires. It’s also same as CITC method to consider as valid if the coefficient validity value was > 0.3 , then it is regarded as valid. From the result of the validity from 30 respondents, we can see from table that the one of the items “PC 2” is invalid. Which means for future research this item needs to be deleted. The rest items are valid. The results of the pilot test regarding the validity shown at Table 2 for CITC and Table 3 for Pearson correlation.

According to Indrawati (2015:155), Cronbach-Alpha technique is the most widely used in term of reliability test. The indicators can be stated to have a good reliability if the Cronbach-Alpha > 0.70 . (Hair et. al., 2010; Kaplan and accuzzo 1993: 126; Nunnally & Bernstein, 1994; Pedhazur &

Table 3: The validity result using Pearson Correlation

Variables	Items	Pearson correlation	Valid or Not Valid
Product	PA 1	0,765	Valid
	PA 2	0,250	Invalid
	PA 3	0,289	Valid
	PA 4	0,727	Valid
Price	PB 1	0,851	Valid
	PB 2	0,795	Valid
	PB 3	0,770	Valid
	PB 4	0,789	Valid
Place	PC 1	0,693	Valid
	PC 2	0,701	Valid
	PC 3	0,891	Valid
	PC 4	0,889	Valid
Promotion	PD 1	0,686	Valid
	PD 2	0,844	Valid
	PD 3	0,789	Valid
	PD 4	0,700	Valid
	PD 5	0,550	Valid
People	PE 1	0,737	Valid
	PE 2	0,809	Valid
	PE 3	0,837	Valid
	PE 4	0,689	Valid
Process	PF 1	0,674	Valid

	PF 2	0,795	Valid
	PF 3	0,862	Valid
	PF 4	0,839	Valid
Physical Evidence	PG 1	0,889	Valid
	PG 2	0,747	Valid
	PG 3	0,762	Valid
	PG 4	0,677	Valid
Behaviour Intention	BI 1	0,789	Valid
	BI 2	0,805	Valid
	BI 3	0,846	Valid
	BI 4	0,802	Valid

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Table 4: Cronbach Alpha Result

Product	Cronbach's Alpha	N of Items.
	0.777	3
Price	Cronbach's Alpha	N of Items.
	0.809	4
Place	Cronbach's Alpha	N of Items.
	0.857	4
Promotion	Cronbach's Alpha	N of Items.
	0.756	5
People	Cronbach's Alpha	N of Items.
	0.756	4
Process	Cronbach's Alpha	N of Items.
	0.801	4
Physical Evidence	Cronbach's Alpha	N of Items.
	0.774	4
Behavior Intention	Cronbach's Alpha	N of Items.
	0.828	4

As shown in Table 4, the results of the pilot study in this research shown that 32 item is considered as valid with one of the items is invalid. The variable of product has a good Cronbach alpha after deleted the "PC 2". So, 9 variables have fulfilled the criteria of reliability.

5. Conclusion

The measurement criteria of this study have been tested with 40 respondents as pilot study samples. The respondent is TCASH non-active users that live in Bandung, Indonesia. From the pilot test that has been tested, it reveals that the item "PA 2" needs to be eliminated to make the value of the Cronbach Alpha more than > 0.7. So, if the PA 2 deleted all of the items are valid and reliable. This proposed measurement material is ready to be used for further research.

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