



Improve Marketing Mix for Marketing Plan Strategic in Coffeeshop Business

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Abstract

This research aims to establish a strategic marketing strategy for the Medan City coffee shop company. The methodology used in this study was descriptive qualitative research through the method of the marketing combination 4Ps and Porters five strategic forces theory. The outcome of the analysis provided strategic marketing strategy for all facets of the 4Ps marketing mix, such as product, price, place, and promotion. As five competitive forces are generated based on Porters, the resulting strategic marketing strategy becomes more oriented. This analysis will be useful for the company owner to take the best strategic marketing approach in particular. The results showed that the product, price, place, and promotion had a significant influence on consumer decisions even though the t test results on product, price, and promotion variables had no effect partially.

INTRODUCTION

The coffee shop in Medan has intense competition. Coffee shops are estimated to grow by 10 percent to 15 percent by 2020. In the last three years, the number of coffee shops in Indonesia has tripled from 1,083 in 2016 to 3,000 by the end of 2019 (Prasetyo, 2020). The majority are in big cities such as Jakarta, Surabaya, Medan, and Bandung.

Most of these are in major cities like Jakarta, Surabaya, Medan, and Bandung. To beat the competition in the marketplace, you need a strategic marketing plan with the right methods. The correct formulation of mission, vision, and core policy will play a vital role in the success of the strategic plan. On the other hand, strategic marketing planning increases visibility and trust in the product to ensure lasting customer interaction. It guides the culture, goods, and pricing of small companies (van Scheers & Makhitha, 2016).

This study uses the marketing mix of Porters Five Competitive Advantages (4Ps) previously been made to develop a marketing strategy

combined with the characteristics of the sale of labor that can increase sales. The marketing mix of 4Ps also allowed businesses to make the requisite strategic choices for competitive advantage. 4Ps' marketing mix also helped businesses formulate strategic choices required for competitive advantage. Five competitive forces may be used by Porters to build marketing strategies for non-service companies (Ikechi et al., 2017).

To beat the competition in the marketplace, you need a strategic marketing plan with the right methods. The correct formulation of the mission, vision leveraging the competitive forces of Porters Five can also increase market share and build consumer loyalty. Combining the 4P marketing mix and Porter's five competitive forces of e-commerce, listed as a service company for developing marketing strategies, and core policy will play a key role in the success of the strategic plan (Kenney & Khanfar, 2011).

It has not been much research on the development of strategies by the 4P marketing plan and Porter five competitive power for non-service or manufacturing companies. This study uses the marketing mix of Porters Five Competitive Ad-

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vantages previously been made to develop a marketing strategy combined with the characteristics of the sale of labor that can increase sales.

The Marketing Mix has two main advantages; first, it is an important instrument that helps one to see that the role of the marketing strategist is to trade the strengths of one's comparative strengths in the Marketing Mix against the benefits of others. The main reason Marketing Mix is such a powerful idea is because it simplifies marketing management, allows you to isolate marketing from other business operations, and outsource your marketing roles to experts (Thabit & Raewf, 2018).

There are also two key benefits of the marketing mix concept. First, it is an essential instrument in which individuals see that the position of the CMO is largely a trade-off between the strengths of the competitive powers of the individual and the strengths of the marketing mix. The second gain of the marketing mix is that another aspect of the role of the marketing manager is exposed. According to various requirements, the two administrators have to assign the services available. In turn, the marketing manager will distribute the resources available among the various competing marketing mix instruments. This would continue to instill the company's marketing philosophy in this way (Waheed et al., 2017).

The mixed marketing management model has dominated marketing since the 1940s, developing this theory and refining the concept of what is now commonly referred to as 4P. However, during the post-dot-com revolution, brand administrators learn to deal with the many new marketing components that have emerged in the online world of the Internet. In the offline world, these new marketing elements have similar counterparts in some respects, but they open up new horizons from a different perspective and deserve new features in e-marketing (Phouzder et al., 2019).

Several previous studies have found the marketing mix to be the most important pillar and basic entity in retail if it has the right proportion in all 4Ps. The application of the marketing mix in this study shows that the stores that have implemented generate higher profits so that their validity and reliability can be accounted for (Aithal et al., 2020).

Other research has shown that the implementation of the marketing mix helps business providers learn the factors of using Umrah services. Customer loyalty is an important retention helping business providers (Othman et al., 2019). The marketing mix also has a positive influen-

ce on the competitive advantage of the people's market in the city of Surabaya. Service quality has a significant positive effect on competitive advantage. This means that the higher the quality of service, the higher the competitive advantage (Setiono, 2019).

Another finding shows that in the marketing mix, prices have a significant positive effect on customer retention. Price is the most important factor whether customers continue or terminate their relationship with a brand based on the perceived quality of the product and the value of the amount paid to get the product. Customers tend to switch to other brands if they think the prices of products and services are expensive and it is not feasible to buy them (Hanaysha, 2017).

It has not been much research on the development of strategies by the 4P marketing plan and Porter five competitive power for non-service or manufacturing companies. This research aims to develop a strategic marketing plan through the 4Ps marketing mix and the Porters five competitive forces for the coffee shop business, particularly in the city of Medan. This technique can be helpful because it can be the basis for a more concentrated and accurate marketing strategy plan. The results of the correct strategic marketing plan will enable business competition to win and sales to increase.

This research was conducted in the 'let's coffee' coffee shop business in Medan as a type of coffee shop that was founded in 2019. Researchers obtained a sample representing a population of 100 people with data collection techniques through interviews and questionnaires. The analysis is used to analyze the influence of various independent variables such as product, price, place and promotion on one dependent variable, namely consumer decisions

METHOD

Marketing Mix

In the evolution of marketing strategy science, the marketing mix has also played an important role as a central principle in commercial philosophy with scientific roots in the theory of optimization. In the early days of the marketing concept, the marketing mix was especially effective as physical goods served a greater portion of the economy (Wu & Li, 2018). Marketing mix means commodity, delivery, marketing, and pricing methods for the development and conduct of exchanges and the achievement of target markets (Išoraitė, 2016). Marketing mix a total of interrelated activities and solutions to address customer expectations

and accomplish the company's marketing goals.



Figure 1. Marketing Mix

Figure 1 illustrates the components of the 4Ps campaign blend. The first step in marketing is product strategy. To satisfy the expectations and preferences of consumers, the product is something that is sold. It may be a commodity, products, or utilities; not only physical items or services, but also other objects linked to it are agreed by the consumer to provide a full output (Al Badi, 2015) which comprise: product, price, place and promotion, and the connection with integrated marketing. Marketing managers use the Marketing Mix model in an attempt to generate the optimal response in the target market by blending these four variables in an optimal way. The marketing mix is flexible and can be adjusted on a frequent basis to meet the changing needs of the target group and the other dynamics of the marketing environment. It is important to understand that the Marketing Mix principles are controllable variables. The dimensions of marketing mix go a long way towards the product management, customer data base, segmenting, targeting and positioning, which will be the main topics of this paper. In addition, it provides some examples (companies such as McDonalds and Air Arabia. Product means that a physical product or service is ready to pay for a customer. Tangible goods such as furniture are included; consumer goods are sold for clothing or food items including intangible products like services. The product is the basic component of any marketing mix. The product is the most basic marketing mix tool and the combination of goods or services offered by the company to the target market which consists of product diversity, quality, design, shape, brand, maturity, service, guarantee, and return. The deeper knowledge about the consumer side, can provide a better understanding (product as expertise) and appreciation for the usefulness of the product. Product indicators are used such as product quality, product design, product brand or, product diversity. Product classification is

based on:

Perishable goods are tangible products that are usually consumed in one or more times of use, for example food, medicinal drinks and others. Durable goods are tangible items that are usually durable with a lot of use, for example cars, telephones, telephones and others. Product classification can also be based on consumers and what the product is consumed for.

A pricing strategy is a strategy to be viewed after the development of an object with its attribute. Price is one of the most important items in the marketing mix, and many scientists consider price to be one of the industry's most important components, not just increasing benefit, but also increasing market share (İşoraitè, 2016). The price of goods in e-commerce follows classic pricing concepts at first sight. Three components are based on a price strategy: expense, consumer value, and competitiveness. The experience of world leaders in the e-commerce sector, however, illustrates the advent of genuinely new approaches to scalable and individual pricing (Wu & Li, 2018). In determining the price, factors that influence both directly and indirectly are needed. Examples of direct factors are the price of raw materials, marketing costs and other factors. A price goods or services are one of the determining factors for consumers in determining the products they will use. Price has an influence on a company's competitive position and its market share. Therefore, price is a perceived level of good and bad product quality, especially if consumers have to make purchasing decisions with insufficient information. Price indicators that are used include price levels, price discounts, affordability, and prices that are in accordance with purchasing power. There are basically four types of pricing objectives, namely: Goals are profit oriented, Goals are volume oriented, Image-oriented goals, Goal oriented at price, Other objectives.

Place strategy includes whether the distributions of the networks have been used to deliver the goods to the customers on time, and how the sellers select the shop. For prospective buyers, position variables may be a significant factor (Al Badi, 2015) which comprise: product, price, place and promotion, and the connection with integrated marketing. Marketing managers use the Marketing Mix model in an attempt to generate the optimal response in the target market by blending these four variables in an optimal way. The marketing mix is flexible and can be adjusted on a frequent basis to meet the changing needs of the target group and the other dynamics of the marketing environment. It is important to under-

stand that the Marketing Mix principles are controllable variables. The dimensions of marketing mix go a long way towards the product management, customer data base, segmenting, targeting and positioning, which will be the main topics of this paper. In addition, it provides some examples (companies such as McDonalds and Air Arabia. Which includes distribution networks, storage warehouses, mode of transport, and warehouse control, because it is a mechanism by which goods and resources are transported from the source of services and from the manufacturer to the customer. If the object is a business product, so a business team is expected to communicate with multiple consumers to ensure that the product is accessible to them. Distribution has a major impact on the company's performance, and can also provide an effective supply chain and distribution logistics management plan (Wu & Li, 2018). The place indicators used are as follows: Ease of obtaining products, location range, has a strategic place, comfortable and spacious parking lot

Organizations use the promotion to engage with consumers with regard to their product deals. In this context, one side of the negotiation process with consumers is promotion. Market research, in which manufacturers aim to collect customer information on consumer requirements, is a complementary aspect of the communication process.

Promotion is a means for consumers to communicate quality information. Promotional events allow consumers to participate in the communication process and can encourage them to take targeted action. Furthermore, if a marketing campaign is successful, the dissemination of information about the company, product, and service goes viral and provides coverage similar to that of the mainstream media (Wu & Li, 2018). Promotion is part of the overall activities of the company which deals with communication and offers its products to target markets. Promotion includes sales, advertising, sales force, public relations and direct marketing. Providing more comprehensive product knowledge will provide product contextualization in the present and future, so that promotion takes the role of being a means of education for consumers, especially related to the products they are interested in. Promotional indicators used are such as promotion through visual media, face-to-face promotion, promotion using gifts and promotions through social media. The purpose of promotion as an effect of communication is: Generating customer perceptions of a need, introducing and providing views about

a product to consumers, encourage selection of a product, persuade customers to buy a product, make up for the weaknesses of other elements of marketing goods, embedding product and company image

Porters Five Competitive Forces

The method of the Industrial Organization Theory (IO) is the basis of Porter's Five Powers. The IO believes that the market structure defines the attractiveness of the sector in which a business works since the market structure impacts the actions of market participants. The five-force framework can be used as something that can be used to do a market review. Also after closer analysis, the model continues to give the company a clearer view of how revenues are divided among the five powers in any given sector (Bruijl, 2018).

The system of the Five Powers is a useful starting point for strategic research even though benefit parameters are not applicable. It is really important to have adequate information to develop a plan. About the sector in which the agency serves. The variables that influence an organization in an industry can be highly varied.

It is also necessary to recognize only certain considerations that are of interest to all involved companies within the sector. In addition to a rivalry between current rivals, Porter's Five Powers model describes four external forces that define the strength of the competition within the industry: The Supplier's bargaining power, the Buyer's bargaining power, the Challenge of Alternatives and the Threat of New Entrants. The interaction of these Five Powers is a persistent challenge to the company's performance.

The first four forces determine the fifth force, competitive rivalry, which can be minimal or intense depending on the number and strength of the competitors. The strength of each of the forces negatively impacts profitability. Importantly, Porter assumed that these five forces applied to all industries, regardless of their level of technology, whether in a developed or emerging economy and with or without government intervention (Isabelle et al., 2020).



Figure 2. Porters Five Competitive Forces Elements

To build a business strategy in competition, a strategic approach is generally used. Through the five competitive powers of Porter, the level of rivalry within those sectors can be evaluated in particular for beginning a new company or joining a new field of industry. The combined strength of the elements or powers may decide the capacity of benefit and its attractiveness. The essence of market rivalry can be seen as a mixture of the following five components, as seen in Figure 2.

The power to negotiate with consumers strongly influences an organization's competition policy. In a market where their size is relatively small compared to sellers, buyers can negotiate lower prices. They quickly turn to competitors in some situations when a customer is dissatisfied with the level of service or pricing at a specific store. This forces the organization to provide the best service and/or the lowest price to increase market share. Manufacturers have resources or raw materials for the market. Their bargaining power has a direct effect on the bottom line of a business as the market value of finished items can be measured by the price at which they provide the company with services. Suppliers have strong negotiation skills in cases where there are few, no alternative goods, or no peace between acquisitions.

Replacement products allow clients to choose new products based on price or quality. It's improves rivalry as a consumer will easily refuse to purchase one commodity instead of another. For example, a consumer may buy peanut butter instead of margarine because of the apparent health advantages of the former. To retain the superiority of an organization over its rivals, it must focus more on building brand loyalty based on consumer preferences. The level of competition in the market is increasing due to the emergence of new competitors that may consume certain customers and suppliers.

Potential competitors will also use methods such as price cuts and aggressive marketing campaigns to try to attract buyers. New ventures must also offer suppliers competitive prices and conditions to increase competition with existing competitors. However, potential competitors face significant barriers to entry, including customer satisfaction, limited supply chains, and severe resource constraints.

RESULTS AND DISCUSSION

The integration of the 4Ps marketing mix

with five strategic forces from Porters creates various tactics depending on the related aspects. Every marketing blend blends 4Ps elements with five competitive forces elements for each Porter.

Table 1. Product Strategy

Marketing Mix 4Ps Porters Five Competitive Forces	Product
Rivalry among existing competitors	Product Quality Product Value Stock Availability Difficulty to imitate
Threat of new entrants	Product quality Product value Stock availability Difficulty to imitate
Threat of substitutes	Product value Stock availability Product quality
Bargaining power of suppliers	Alternate resources
Bargaining power of buyers	Product value Product neatness Product segmentation

Table 1 shows that the elements of Porter's five competitive forces will form the basis for deciding the commodity strategy. The methods are to preserve product consistency, the product must have a unique meaning, the stock must still be available, and the product must be impossible to copy. The package must be tidy and produce product segmentation as an alternate resource.

Table 2. Price Strategy

Marketing Mix 4Ps Porters Five Competitive Forces	Price
Rivalry among existing competitors	Price competitiveness Wholesale prices Periodic discounted sales
Threat of new entrants	Price competitiveness Wholesale price
Threat of substitutes	Price competitiveness Wholesale price
Bargaining power of suppliers	-
Bargaining power of buyers	Price level

Table 2 shows that Porters' five competitive strengths will form the basis for the pricing

strategy. Price plans must be competitive, set the wholesale price, have occasional reduced offers, and achieve price prices to meet each market.

Table 3. Place Strategy

Marketing Mix 4Ps Porters Five Competi- tive Forces	Place
Rivalry among existing competitors	Store location Store spaciousness Store layout Store atmosphere
Threat of new entrants	Store location Store spaciousness Store layout Store atmosphere
Threat of substitutes	Store location
Bargaining power of suppliers	Location access
Bargaining power of buyers	Selling point location Special event participation

Table 3 shows that the Porters Five Competitive Forces components can be the basis for defining the positioning strategy. The tactics are that retail position must be strategic, the store must be compact, arrange the architecture of the market, build a friendly environment, choose the easy-to-reach location, choose the right selling point to promote the product on the event, and engage in the unique or future event regularly.

Table 4. Promotion Strategy

Marketing Mix 4Ps Porters Five Competitive Forces	Promotion
Rivalry among existing competitors	Online promotion Offline promotion Corporate clients
Threat of new entrants	Online promotion Offline promotion Corporate clients
Threat of substitutes	Focus on product excellence Product bonus Product bundling
Bargaining power of suppliers	-
Bargaining power of buyers	Product education

Table 4 shows that the Porters Five Competitive Forces components will form the basis for deciding the promotion strategy. Intensive web

marketing, intensive offline promotion, collaboration with corporate consumers, quality excellence for promotion, and promotion are the techniques.

The overall result indicates that the strategic marketing strategy for each marketing combination of the 4Ps aspects received, such as product, price, location, and promotion. As five competitive forces are generated based on Porters, the strategic marketing strategy becomes more focused.

Study of the internal structure industry characteristics the central goal of the development of marketing campaigns and the development of a sustainable competitive edge for companies through the use of Porters five competitive forces. This research, by a combination of 4Ps marketing mix and Porter's five competitive powers, produces a comprehensive marketing strategy that can carry a competitive edge to the market.

Validity and Reliability Test

The validity of the research instrument can be seen by looking at the results of the total value of the Pearson product moment correlation items at a significance level of 5% (0.05). The following are the results of the research instrument validity test with a Sig value of 0.000, valid information, and reliable status:

Table.5 Validity and Reliability Test

Variabel	Item	r count	Cronbach Alpha
Product	X1.1	0,620	0.682
	X1.2	0.635	
	X1.3	0.515	
	X2.1	0.482	
Price	X2.2	0.625	0.710
	X2.3	0.547	
	X3.1	0.662	
	X3.2	0.604	
Place	X3.3	0.590	0.699
	X4.1	0.589	
	X4.2	0.620	
	X4.3	0.612	
Promotion	Y.1	0.464	0.612
	Y.2	0.627	
	Y.3	0.482	
	Y.4	0.370	

Based on Table 2, it is concluded that the regression model does not detect multicollinearity (between independent variables in the model with

a strong correlation) because the VIF (Variance Inflating Factor) value <5.

Result Description

F test

To determine the significant effect on the independent variables together on a variable related to the f test. f test is used to determine whether the independent variables together have a significant effect on the dependent variable. The results of hypothesis examiners simultaneously can be seen in table 6.

Table 6. F Test

ANOVA ^a					
Model	Sum of Squares	Df	Mean Square	F	Sig
Regression	33.968	4	8.492	3.958	0.005b

on the variable place because t count 2.704 > table 2.46 with a significance level of t of 0.008 so it can be concluded that the effect of place on consumer decisions has a significant effect. For promotion obtained t count -0.045 < table 2.46 with a significance level of t of 0.050 so that the effect of promotion on consumer decisions is not significant.

CONCLUSIONS AND RECOMMENDATION

Marketing mix 4Ps combined with porters five competitive forces will create a strategic marketing strategy that can be used for the growth of coffee shop business based on the findings and discussion that has been done. The results showed that the product, price, place, and promotion had a significant influence on consumer decisions even though the t test results on product, price, and promotion variables had no effect partially in

Table 7. Multiple Linear Regression Analysis

Model	Coefficients ^a						Collinearity Statistics
	Unstandardized Coefficients		Standardized Coefficients	T	Sig		
	B	Std. Error	Beta			Tolerance	
(Constant)	13.294	2.281		5.828	0.000		
Product	0.230	0.101	0.219	2.278	0.025	0.973	1.027
Price	-0.204	0.102	-0.193	-1.990	0.050	0.960	1.042
Location	0.237	0.088	0.259	2.703	0.008	0.984	1.016
Promotion	-0.004	0.094	-0.004	-0.045	0.964	0.946	1.057
a. Dependent Variable: Decision Consumen							

a. Dependent Variable: Decision Consumer

Residual	203.822	95	2.145
Total	237.790	99	

Based on table 6, it can be seen that the calculated F value is 3.958 > F table is 2.46. Based on the data processing output, the significance level appears to be 0.005. This result means that the significance value is less than <0.05. Thus, product, price, place and promotion together have a significant influence on purchasing decisions.

4P Results Against Consumer Decisions

The test result on the product variable is t count 2.278 < table 2.46 with a significance level of t of 0.025 so it can be concluded that the effect of the product on consumer decisions has no significant effect. Price variable obtained t count -1.990 < table 2.46 with a significance level of t of 0.050 so that the effect of price on consumer decisions is not significant. While the test results

specific, it can be useful for the company owner and readers in general. It would be possible to win industry rivalry and improve revenue by selecting and implementing the correct strategic marketing strategy.

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