JAGADITHA

THE EFFECT OF MARKETING MIXED STRATEGY ON MARKETING PERFORMANCE AND COMPETITIVE EXCELLENCE IN SHOPPING MALL IN BADUNG AND DENPASAR REGENCY

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Abstrak

The objective of this study is to identify the effect of marketing mixed strategy on marketing performance and competitive excellence at shopping mall in Badung and Denpasar. The data were collected by distributing questionnaires to 43 respondents taken by slovin formula method. Respondents were managers and leaders of shopping malls in Badung and Denpasar regencies. Data were analyzed by Partial Least Square (PLS) analysis method. Measurement of research variables is done by using Likert scale to test the research instrument with validity and reliability test. The results showed that to achieve marketing performance can be made through the use of 7P marketing mixed strategy aimed at achieving marketing performance with the elements of product, place, price, promotion, process, people and physical. While marketing performance has a positive and significant impact on competitive advantage, where to achieve marketing performance with elements of sales growth, customer growth and sales volume. Furthermore marketing mixed strategy has a positive effect on competitive advantage but not significant. Suggestions for further research, it needs more concern to analyze the shopping mall in Bali so that the scope becomes wider for generalization in a wider area

Keywords: *Marketing Mix Strategy, Marketing Performance, Competitive Advantage*

I. INTRODUCTION

The development of shopping mall requires managers and leaders in providing marketing strategy where marketing by several shopping malls by using marketing mix strategy. The marketing mix used by shopping malls is more directed to 7P marketing mix where there are product, price, place, promotion, people, process, and physical evidance. Based on field data on several shopping malls offering a marketing mix to attract visitors where the 7P mixed marketing is; product, price, place and promotion and marketing mix of people, process, physical evidance are described in the next explanation.

Mixed marketing on the elements of people at Discovery Mall, Mall Bali Galleria, Lippo Mall Kuta, Lippo Mall Sunset, The Village Seminyak, Beachwalk Shopping Mall, Benoa Square, Park 23 Mall, Bali Collection which has complete shopping mall such as; the security officer started checking the vehicle, the security officer when entering the mall building, housekeeping officers in each toilet customer, the parking attendant arranged the vehicle in the parking area and the parking attendant for ticket payment, and the customer service officer available at the shopping mall.

Through this investigation, the effect of marketing mixed strategy on marketing performance and competitive excellence in shopping mall was identified and described. Building on this, the main problems in this research are: 1) how is the effect of 7P marketing mixed strategy on marketing performance in shopping mall in Badung and Denpasar regencies?; 2) how does the influence of marketing performance affect the competitive advantage in shopping malls in Badung and Denpasar regencies?; and 3) how is the influence of 7P marketing mixed strategy affecting competitive advantage of shopping mall in Badung and Denpasar regency?

The objectives of this study are to measure the effect of 7P marketing mixed strategy on shopping mall marketing performance, to test the effect of marketing performance on competitive advantage of shopping mall, and to test the effect of 7P marketing mixed strategy on competitive advantage of shopping mall in Badung and Denpasar regencies.

II. LITERATURE REVIEW

Definition of Shopping Mall

According to the International Council of Shopping Centers (ICSC), the largest and most influential organization for the world's shopping mall with the definition of a shopping mall is a group of retail and other commercial businesses that are planned, developed, owned and managed as a single property.

Mixed Marketing

According to Kotler (2000), marketing strategies are decision-making on marketing costs, marketing mix, product pricing, product

conditions and marketing allocations in relation to expected environmental conditions and competitive conditions. According to Simamora (2001: 38), the company's success in marketing is influenced by market competition. According to Kirkup and Rafiq (1999) suggested for the marketing mix for the main elements of shopping mall ie Place (location and accessibility), Physical evidence (Exterior Design), Product (Interior Design, Tenant Mix and recreational acts Promotion) Access Fee), Process (Service Delivery for Consumers) and People (Interaction between shopping malls, shops and consumers).

According Ka-wai (2009) mixed marketing strategy is divided into 7P, namely; Product-Interior Design, Tenant Mix and Leisure Attractions, Place - Location/Accessibility, Price-Cost of Access, Promotion-Communications Mix, Process Customer Service, People-Customer Participants and Physical Evidence-Exterior Design.

Marketing Performance

According to Ferdinand (1999), marketing performance is a common factor used to measure the impact of a corporate strategy. According to Voss and Voss (2000: 69); Song and Parry (1997: 3); Johnson and Arunthanes (1995: 37), where marketing performance refers to that formed by three indicators namely; sales growth, customer growth and sales volume.

Competitive Excellence

Porter (1990: 3) explained that competitive advantage is the heart of marketing performance to face competition. Competitive advantage is defined as a benefit strategy of companies that collaborate to create more effective competitive excellence. According to the International Council of Shopping Center (1991), to be able to compete in shopping malls then the regional shopping mall analysis around, community, promotions provided and the existing retail sphere trend. Competition can be complemented with tenant mix, the facilities provided and anchor tenant contained within the shopping mall can be different and unique from the existing shopping mall.

According to Bharadwaj et al (1993), where this study examines the advantages of competing sustainably having dimensions, as follows; the uniqueness of the product is the uniqueness of the company's products that combine art value with the taste of the customer. competitive price is the ability of the

company to adjust the price in the market, not easily imitated means can not be imitated by competitors, not easily replaced means not have the same replacement.

Research Hypothesis

Based on the results of previous research, it can be concluded hypothesis as follows:

H1: The marketing mix strategy of 7P has a positive and significant effect on marketing performance in shopping mall.

Previous research has found a positive and significant influence between competitive advantage and marketing performance (Supranoto, 2009), the study was supported by other studies by Asmarani (2006), Bharawaj and Fahy (1993); Grant (1995); Mahoney and Pandian (1992); Rumelt (1984) and Galbraith and Kzanjian, in Eric (2005). Based on the results of previous research, it can be concluded hypothesis as follows:

H2: Marketing performance has a positive and significant impact on competitive advantage.

Research conducted by Bressler (2012) showed that by utilizing marketing mix strategy have positive and significant effect to competitive advantage, the research was supported by other research by Kwami (2012), Mutsukiwai et al (2012), Yuen (2005).

H3: 7P Marketing Mix Strategy has a positive and significant impact on Competitive Advantage.

RESEARCH METHOD

Based on the instruments used and type of data obtained in the form of statistical details, the research was designed by using experimental quantitative research approach. The research was conducted to select the measurement of variables, procedures and sampling techniques, instruments and completeness of research to support the research.

In analyzing the influence between variables in this study used statistical methods Partial Least Square (PLS).

III.FINDING AND DISCUSSION
Characteristics of Respondents

Researchers conduct research that has been established with a questionnaire. This test is conducted to obtain consistency and accuracy

of each question in the questionnaire, where the data obtained from this questionnaire will then be used as primary data in this study.

Condition of Respondents

From the results of the distribution of questionnaires to 43 managers and leaders of shopping malls in Badung and Denpasar regencies in describing the respondents by sex in the research conducted can be seen in table 6 as follows.

Table 1
Respondents by Gender

Gender	Number	(%)
Male	21	49%
Female	22	51%
Total	43	100%

Source: Processed data, 2016

Table 2
Respondents by Age Classification

Range of Age	Number	(%)
25-35 years	13	30%
36-45 years	18	42%
46-55 years	12	28%
Total	43	100%

Source: Processed data, 2016

Table 3
Respondents by Age Education Level

Level of Education	Number	(%)
Senior High School	5	12%
Diploma	11	25%
Bachelor	22	51%
Post Graduate	5	12%
Total	43	100%

Source: Processed data, 2016

Table 4
Respondents by Position

Position	Number	(%)
Head Department	7	16%
Assistant Manager	5	12%
Manager	15	35%
General Manager	6	14%
Director	9	21%
CEO	1	2%
Total	43	100%

Source: Processed data, 2016

Inferential Analysis

Evaluation of Measurement Models (Measurement Model/Outer Model)

1. Convergent Validity

An indicator is said to be valid if the outer loading coefficient is between 0.60 - 0.70 but for theoretical analysis it is not clear then outer loading 0.50 is recommended (Lathan and Ghozali, 2012: 78), as well as significant at alpha level 0.05 or t-statistic 1.96.

Table 5
Value of Outer Loading Estimated Model Results Before Model Reconstruction

Indicator<-Construct	Original Sample (O)	t Statistics
X11 <- Mixed Marketing	0,64	7,89
X12 <- Mixed Marketing	0,68	10,48
X13 <- Mixed Marketing	0,72	12,12
X14 <- Mixed Marketing	0,53	5,88
X15 <- Mixed Marketing	0,52	4,66
X16 <- Mixed Marketing	0,81	28,54
X17 <- Mixed Marketing	0,68	10,45
Y11 <- Marketing Performance	0,77	14,41
Y12 <- Marketing Performance	0,77	10,46
Y13 <- Marketing Performance	0,81	17,55
Y21 <- Competitive Excellence	0,78	14,19
Y22 <- Competitive Excellence	0,42	2,51
Y23 <- Competitive Excellence	0,78	14,64
Y24 <- Competitive Excellence	0,85	29,35

In table 14 because there are three indicators that are X14, X15 and Y22 which have an outer loading value <0.60 then a model reconstruction is done by omitting all three indicators.

Tabel 6
Outer Value Loading Estimated Model Results After Model Reconstruction

Indicator<-Construct	Original Sample (O)	t Statistics
X11 <- Mixed Marketing	0,64	7,76
X12 <- Mixed Marketing	0,67	9,40
X13 <- Mixed Marketing	0,72	10,99
X16 <- Mixed Marketing	0,83	30,75
X17 <- Mixed Marketing	0,75	14,74
Y11 <- Marketing Performance	0,79	14,14
Y12 <- Marketing Performance	0,76	11,34
Y13 <- Marketing Performance	0,80	17,52
Y21 <- Competitive Excellence	0,77	11,30
Y23 <- Competitive Excellence	0,78	14,11
Y24 <- Competitive Excellence	0,86	31,27

2. Discriminant Validity

Tabel 7
Testing Discriminant Validity

Construct	AVE	√AVE	Mixed Marketing	Competitive Excellence	Marketing Performance
Mixed Marketing Excellence	0,52	0,72	1,00		
Competitive	0,65	0,81	0,45	1,00	
Marketing Performance	0,61	0,78	0,61	0,54	1,00

Source: Processed data, 2016

Table 16 shows that the entire √ AVE seluruh value of the construct/dimension is greater than the correlation between the construct and the entire AVE value of the construct> 0.50 so that it is eligible valid based on the discriminant validity criterion.

3. Composite reliabilitya and Cronbach Alpha

Table 8
Composite Reliability Test and Cronbach Alpha

Construct	Composite Reliability	Cronbachs Alpha
Mixed Marketing	0,85	0,77
Competitive Excellence	0,84	0,74
Marketing Performance	0,83	0,68

Table 17 shows that the value of the composite reliability of the entire construct has shown a value greater than 0.70 so it qualifies reliably based on the composite reliability criteria. While the value of Cronbach Alpha shows that the entire construct is higher than 0.70, unless marketing performance is close to 0.70.

Evaluation of Structural Model (Inner Model)

1. **Evaluation of Structural Model Through R-Square (R2)**

Table 9
Evaluation of Inner Structural Model

Construct	R Square
Mixed Marketing Competitive Excellence	0,31
Marketing Performance	0,38

Source: Processed data, 2016

Table 9 shows that the value of R2 of competitive advantage is 0.31; based on the criteria of Chin (Lathan and Ghozali, 2012: 85), then the model includes moderate model criteria, its meaning is the variation of competitive advantage can be explained by the marketing mix variation of 31.00 percent, the remaining 69.00 percent is explained by variations of other variables. While marketing performance has R-square value of 0.38 or including moderate model, it means that marketing mix variation and competitive advantage can explain marketing performance variation that is equal to 38,00 percent remaining 62,00 percent explained by variation outside model.

2. **Evaluation of Structural Models through Q-Square Predictive Relevance (Q2)**

The Q-Square formula is: $Q2 = 1 - (1 - R12)(1-R22)(1 – R32)$. Strong criteria for weak models are measured by Q-Square Predictive Relevance (Q2) according to Lathan and Ghozali (2012: 85) are as follows: 0,35 (strong model), 0,15 (moderate models), dan 0,02 (weak model).

The value of Q-Square is $1 - (1 - R12)(1 - R22)(1 – R32) = 1 – (1 – 0.31)(1 – 0.38) = 1 – 0,43 = 0.57$, based on these results the estimation model is included in the strong criterion, meaning that 57.00 percent of endogenous constructing variations can be predicted by exogenous construct variations.

Evaluation of Structural Models through Goodness of Fit (GoF)

Tabel 10
Evaluasi Goodness Of Fit

Construct	R Square	Communality
Mixed Marketing		0,52
Competitive Excellence	0,31	0,65
Marketing Performance	0,38	0,61
Average	0,345	0,594

Source: Processed data, 2016

The calculation with GoF shows a value of √ AR2 * A.Com = √ 0,345*0,594 = 0,452. This means that the global model is predictive that lies in the criteria of a good model (large).

4. Path Analysis and Testing Hypothesis

Tabel 11
**Path Analysis and Testing Hypothesis**

Construct	Original Sample (O)	t Statistics
Mixed Marketing -> Competitive Excellence	0,20	1,56
Mixed Marketing -> Marketing Performance	0,61	9,20
Marketing Performance -> Competitive Excellence	0,42	3,58

Source: Processed data, 2016

Table 11 shows that: 1) the marketing mix has a positive effect of 0.20 on the competitive advantage, but the relationship is not significant because the T-Statistic value is smaller than 1.96 ie 1.56. 2) The marketing mix has a positive effect on marketing performance of 0.61, and the relationship is significant with the value of t 9,20> 1,96. 3) Marketing performance has a positive effect of 0.42 on competitive advantage, and the relationship is significant.

5. The effect of mediation analyzed includes direct and indirect analysis

Performance

Mixed Marketing   0.61 Sig   0.42 Sig   Excellence

0.20 Non Sig
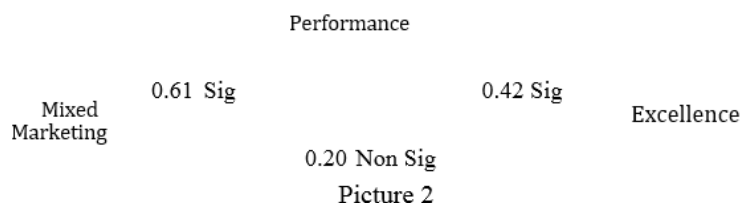
Picture 2

The Role of Performance Mediation on the Marketing Mix Against Competitive Advantages

Figure 2 shows that the direct link between the marketing mix to competitive advantage is 0.20 and non significant, while the direct relationship between marketing mix to marketing performance is 0.61 and significant. On the other hand, the relationship between marketing performance as a mediation between the marketing mix of competitive advantage by 0.42 and significant. Based on Hair criteria, marketing performance is the perfect mediation between marketing mix to competitive advantage.

CONCLUSION AND SUGGESTION

Conclusion

Based on the results of data collection and processing as well as the results of hypothesis aims that have been described in above, some conclusions can be drawn as follows:

1) 7P marketing mix strategy has a positive and significant effect on marketing performance, meaning better marketing mix strategy, hence increasing of marketing performance at shopping mall in Badung and Denpasar regency.

2) Marketing performance has a positive and significant impact on competitive advantage means better marketing performance, hence

increasing competitive advantage in shopping mall in Badung and Denpasar regency.

3) There is a positive but insignificant influence between the marketing mix strategy on competitive advantage, this illustrates that the better marketing mix strategy has not been able to make the competitive advantage in shopping mall significantly.

Suggestion

Based on the conclusions obtained from the results of research that has been done, suggestions can be given for further researchers and for the shopping mall. In the next research there needs to analyze about the shopping mall more broadly that is in the shopping mall in Bali so that the wider coverage and not limited only in the regencies of Badung and Denpasar so generalized in a wider area. And for the respondents research can be done to the customer shopping mall so that the accuracy of the data on marketing mix strategy conducted shopping mall can be examined from the eyes of the customer.

Suggestions that can be given from the results of research conducted by researchers for future shopping malls with the need to improve the marketing mix strategy 7P shopping mall on items, namely: customer service to customer shopping mall by providing good service, handling customer service to customer complaints can be handled quickly and well, which is an important role in shopping mall marketing mix strategy. For customer growth where unit sales increase, exhibition area sales, event sales can be improved again so that marketing performance can be better. This will increase the competitive advantage of shopping malls.

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