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Marketing Mix Contribution to Pandanwangi Rice Sales Turnover: Case Study in CV. Pure Cianjur, Karang Tengah District, Cianjur Regency

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Abstract: In an effort to get customers, every business person will carry out various strategies in their marketing mix (product strategy, price strategy, promotion strategy, and distribution strategy). It is hoped with the governance of the right marketing mix in accordance with the conditions will increase sales turnover, not least what has been done by the Pandanwangi Cianjur rice entrepreneur. This research was conducted to: 1) describe the contribution of each component of the marketing mix to the sales turnover of Pandanwangi rice in CV. Pure Cianjur; 2) examine the contribution of each component of the marketing mix to the sales turnover of Pandanwangi rice at CV Pure Cianjur. Data collected from CV. Pure Cianjur and six supermarket outlets supplying pure Pandanwangi rice from CV. Pure Cianjur. The analytical method used is descriptive quantitative multiple linear regression. The research results are as follows: 1) Pure Pandanwangi rice marketed by CV Pure Cianjur is divided into several packaging sizes, namely 5 Kg, 2.5 Kg, and 1 Kg packages. Level 1 marketing distribution channel, namely selling products through retail companies first before finally reaching the hands of final consumers. Promotional activities carried out by CV Pure Cianjur at its retail company are providing a discount of 10% of the selling price. 2) The biggest contribution of the marketing mix to sales turnover is the price mix, followed by the place mix. Product mix and promotion contributed insignificantly, except for 1 kg packaging.

Keywords: Marketing Mix, Pandanwangi Rice, Sales Volume

1. Introduction

Cianjur Regency is an agricultural area whose development direction relies on the agricultural sector. This is indicated by the rice production of Cianjur Regency of 349,283.46 tons, which is 4th out of 26 regencies/municipalities in West Java [2]. As one of the regencies that has a fairly high contribution to providing national food stocks, Cianjur Regency has superior rice varieties with geographical indications, namely Pandanwangi rice varieties. Pandanwangi rice has advantages in terms of aroma, taste, and texture over fluffier rice [11]. The uniqueness of Pandanwangi makes Pandanwangi rice prestigious and in demand by the upper-middle class even though the price is high. This is an opportunity for business actors to be able to market Pandanwangi rice not only in the Cianjur area but outside the city of Cianjur.

So far, consumers of Pandanwangi rice are still limited, namely households belonging to the upper middle class [3]. For these consumers, the price is not the main consideration in buying Pandanwangi rice. Which marketing mix is considered by consumers in deciding to buy Pandanwangi rice. Consumers consume Pandanwangi rice because there are benefits or values perceived by customers. According to Kotler et al. [7], marketing is a process of creating value for customers and building strong customer relationships to recapture value from customers. Kotler [9] also suggests that marketing has moved from a product-based and consumer-based approach to a holistic approach to customers by looking at human customers who are multidimensional, values-driven, and as collaborative partners. Consumer value is the ratio of benefits received by consumers to price, it is understood that the benefits in question are all marketing mixes (Product, Place, Promotion) that are designed in such a

way as to meet consumer wants and needs, as well as in a price (Price) that is balanced with the benefits. received [10]. Consumers who have received customer benefits or value are a potential market in contributing to the seller's income and profits. Sales revenue and profits are indicators of sales turnover. Sales turnover in various views of experts; explicitly provides an understanding that the marketing of a product is closely related to the large number of offers offered to customers according to the level of satisfaction with the products they use [14]. This is what underlies the research with the aim of: 1) describing the contribution of each component of the marketing mix to the sales turnover of Pandanwangi rice in CV. Pure Cianjur; 2) examine the contribution of each component of the marketing mix to the sales turnover of Pandanwangi rice at CV Pure Cianjur.

2. Research Methods

In order to answer the research objectives, primary and secondary data were collected through observation, interviews, questionnaires, and documentation from 6 respondents in natural setting conditions [13]. The respondents were Pandanwangi Cianjur rice marketing agents which were supplied from CV. Pure Cianjur. The six marketing agents in question are Gallery MP3C Cianjur, Carrefour Kiara Condong Bandung, Carrefour Cimahi Bandung, Transmart Cipadung Bandung and Transmart Paris Van Java Sukajadi Bandung.

Operational research variables consist of the product marketing mix, price, distribution channel, and promotion as independent variables. How big the contribution of each of these independent variables to sales turnover as a dependent variable will be analyzed through multiple linear regression. Sales turnover is determined by the condition of the product being offered (promoted) at a certain price and provided on the spot or delivered to consumers through certain distribution channels as well. Variable indicators to measure research variables in full can be seen in Table 1. All indicator variables are in rupiah values which have been adjusted to the variable concept of each research variable.

Table 1. Operational research variables.

Research variables	Variable Concept	Variable Indicator	Measurement Scale
Product (X_1)	A product is anything that is offered to the market for attention, ownership, use, or consumption so as to satisfy a want or need [8].	Packaging Fee Packaging price per grade	Ratio
Place (X_2)	The marketing mix in this type of place is the marketing agency that will be used to distribute the product, the channel that will be taken / through, the means of transportation that will be used, the coverage area, inventory, and time to distribute the product [1].	The price of depositing goods Postage /delivery price	Ratio
Promotion (X_3)	Promotions are various activities carried out by companies for the purpose of informing, persuading, and influencing consumers or customers to buy products produced by the company [1].	Promotion price / discount Advertising price	Ratio
Price (X_4)	Price is a monetary unit or other measure (including other goods and services) that are exchanged in order to obtain ownership rights or use of an item or service [15].	Product selling price	Ratio
Sales Turnover (Y)	Sales turnover is the accumulation of sales activities of a product, goods and services which are calculated as a whole during a certain period of time or continuously or in one accounting process [14].	Overall sales turnover per period Sales turnover per lot size per period	Ratio

The relationship and influence of the independent variables on the dependent variables are written in the following multiple linear regression equation [12].

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e \qquad (1)$$

Information:
Y = Sales Turnover
a = Constant
b = Regression coefficient
X_1 = Product (Product)
X_2 = Place
X_3 = Promotion (Promotion)
X_4 = Price (Price)
e = Error

3. Results and Discussion

Rice marketed by CV. Pure Cianjur has health benefits and is environmentally friendly because of the treatment of plant cultivation that is cultivated organically without mixing any chemicals and is pure without any other rice mixture. Rice is sold in several package sizes, namely 5 Kg, 2.5 Kg, and 1 Kg packaging (Figure 1). There are two types of packaging belonging to CV Pure Cianjur, namely the basic white packaging and the clear packaging. There is some information contained in the Pandanwangi rice packaging belonging to CV Pure Cianjur, including the company name, product name, MUI halal logo, organic logo, geographical indication logo, no. PIRT and what is no less important is the slogan of Pandanwangi rice itself, "HEALTH, PULEN & NUTRITIONAL". The Packaging does not only function to provide information about the product in it and protect the product; but is the first thing that consumers see, pay attention to and consider who ultimately decides to buy the product. Therefore, the packaging is a representation of the product in it. In general, packaging should be informative, clearly identified, convey the benefits and uses, have clear labels in accordance with the label and advertising

regulations, be effective, attractive and provide convenience [16]. Through informative packaging and according to the product in it, sales results can be increased.

Figure 1. *Pure Pandanwangi Rice CV. Pure Cianjur with packaging sizes of 5 Kg, 2.5 Kg and 1 Kg, respectively.*

The Place is one of the marketing mix concepts which is often confused with distribution channels. According to Etzel et al., [5], distribution channels consist of a series of institutions that carry out all activities used to distribute products and their ownership status from producers to consumers or business users. CV Pure Cianjur distributes goods through several distribution channels. The first distribution channel is done by selling directly to final consumers, where most of the buyers are employees of the Cianjur Regency Agriculture Service and organic rice lovers. This direct sale is carried out through bazaars which are often attended by CV Pure Cianjur or buyers make direct visits to stores located in Karang Tengah District, Cianjur Regency. The second distribution channel is carried out by marketing products to a well-known large retail company, namely Transmart Carrefour. Its marketing area covers the capital city of West Java, namely Bandung, which consists of Carrefour Kiara Condong Bandung, Carrefour Cimahi Bandung, Transmart Cipadung Bandung, Transmart Carrefour Buah Batu Bandung, Transmart Carrefour Trans Studio Mall Bandung and Transmart Carrefour Sukajadi Bandung. Place marketing mix strategy can increase sales volume [6].

According to Asmarantaka [1] that promotions are various activities carried out by companies for the purpose of informing, persuading, and influencing consumers or customers to buy products produced by the company. CV Pure Cianjur carries out promotional activities through exhibitions or bazaars organized by the Department of Agriculture and Food Crops Cianjur Regency and has participated in several independent exhibitions such as the exhibition at Gedung Sate Bandung organized by the Department of Cooperatives, SMEs and Trade Industry in Bandung. CV Pure Cianjur has a website address and social media account, namely Facebook which can be accessed by anyone as an event for promotion. Resellers are also a medium for promotions carried out by the company considering that CV Pure Cianjur resellers are spread in several areas outside Cianjur Regency. Its retail company is Transmart Carrefour. Transmart Carrefour holds promotions on certain days or holidays such as Eid al-Fitr and others.

The form of promotion is to give a discount of 10% of the selling price. There is also another form of promotion that Transmart Carrefour offers to its suppliers, namely advertising in the form of a catalog. This catalog promotion is free, where the supplier may choose to participate or not, depending on the supplier's own needs, of course, a tariff will be charged for the advertisement. The purpose of promotion is to increase sales turnover. The increase in rice sales turnover due to promotional activities can increase by more than 50% [4].

Pricing is aimed at increasing sales, maintaining market share, maintaining price stability, achieving maximum profit and so on (Engel and Blackwell, 2004). The selling price of pure Pandanwangi rice between CV Pure Cianjur and the selling price of pure Pandanwangi rice at Transmart Carrefour is different (Tables 2 and 3). The margin of the price difference is the cost of consignment or the cost of depositing goods at the Carrefour Transmart.

Table 2. *Pure Pandanwangi Rice Price at CV Pure Cianjur.*

Varieties	Price of Pandanwangi Rice (Rp)		
	5 Kg	2,5 Kg	1 Kg
Pure Pandanwangi Rice	157000	79300	33500

Source: Primary Data of CV Pure Cianjur.

Table 3. *Price of Pure Pandanwangi Rice CV Pure Cianjur at Transmart Carrefour.*

Varieties	Price of Pandanwangi Rice (Rp)		
	5 Kg	2,5 Kg	1 Kg
Pure Pandanwangi Rice	164300	82900	33900

Source: Primary Data Transmart Carrefour.

Multiple linear regression analysis was conducted to determine the contribution of each marketing mix to sales turnover. The stages of analysis include: Testing the Multilinearity Assumptions, Testing the Coefficient of Determination (R^2), and Calculation of the Marketing Mix Contribution to Sales Turnover of Pure Pandanwangi Rice.

The multicollinearity assumption test is to test whether in the regression model there is a correlation between independent or independent variables. Multicollinearity test can be seen in the results of VIF (Variance Inflation Factor). The data does not experience multilinearity problems if the VIF value is less than 10.00 (VIF < 10.00) and the Tolerance value is more than 0.10 (Tolerance > 0.10). From the results of the multicollinearity test, it is known that there is a very close correlation between products and promotions, while prices and places do not. This situation can be explained that the indicators for measuring product variables are packaging costs and packaging prices per grade. Meanwhile, promotion indicators are rebates and advertising costs. This means that the cost of promoting the product is in line with promoting the packaging as a representation of the product in it, namely pure Pandanwangi rice. Meanwhile, the place marketing mix variable did not experience multicollinearity with the price mix variable. This situation can be explained that the selling price of products offered by retail does not include

consignment costs and shipping costs.

The Coefficient of Determination Test (R^2) measures how far the model's ability to explain the variation of the independent variable affects the dependent variable. The value of the coefficient of determination (R^2) ranges between 1 and 0. A small value (R^2) means that the ability of the independent variables to explain the variation of the dependent variable is very limited. A value close to 1 means that the variables provide almost all of the information to predict the variation of other variables [13]. The results of the Coefficient of Determination Test (R^2) in Tables 4, 5, and 6 respectively show that the variables of the marketing mix of products, prices, places, and promotions for rice packaged in 5 kg, 2.5 kg, and 1 kg can explain the sales turnover variable. The rise and fall of sales turnover are strongly influenced by the condition of the marketing mix.

Table 4. The test results of the coefficient of determination of packaging 5 kg.

Model	R	R Square	Adjusted R Square	Std. Eror of The Estimate
1	0.979	0.959	0.876	733,652.9

Table 5. The test results of the coefficient of determination of packaging 2.5 kg.

Model	R	R Square	Adjusted R Square	Std. Eror of The Estimate
1	0.996	0.992	0.976	74,835.85462

Table 6. The test results of the coefficient of determination of packaging 1 kg.

Model	R	R Square	Adjusted R Square	Std. Eror of The Estimate
1	1.000	1.000	.	.

The last step is calculating the regression coefficient as a measure of the contribution of each marketing mix to sales turnover. The contribution of each marketing mix to the sales turnover of Pandanwangi rice is shown in Table 7.

Table 7. The contribution of the marketing mix to sales turnover.

| Variable | Packaging Size | | |
	5 Kg	2.5 Kg	1 Kg
Product	Contributing is meaningless	Contributing is meaningless	Contributing is meaningless
Place	Contributed 3117.35 units	Contributed 777.56 units	Contributed 269,840.00 units
Promotion	Contributing is meaningless	Contributing is meaningless	Contributed 151,331.89 units
Price	Contributed 1453.72 units	Contributed 437.721 units	Contributed 10360.961 units

From Table 7 it can be explained that the marketing mix that contributes significantly to sales turnover is the place mix and the price mix for all packaging sizes. The place marketing mix indicated by the cost of depositing goods and the cost of shipping goods for 5 kg packaging gives the largest and most significant contribution to sales turnover. This is in line with the research results of Karim et al., (2014). Promotional mix only means 1 kg packaging. This situation can be explained that the 5 kg and 2.5 kg packages sold in retail are generally what consumers are interested in so they do not need to be promoted. For retail customers, 1 kg of Pandawangi rice is too small for personal consumption and is only suitable for souvenirs. Price marketing mix contributes significantly to sales turnover. The biggest contribution is in 1 kg packaging. If 5 units of Pandanwangi rice are sold in 1 kg packaging, retail income has exceeded selling 1 unit of 5 kg packaging at a price of Rp. 164,300.00 while 1 kg packaging is at a price of Rp. 33,900.00.

4. Conclusions and Novelty

From the discussion of the research results, it can be concluded that:

a. Pure Pandanwangi rice marketed by CV Pure Cianjur is divided into several packaging sizes, namely 5 Kg, 2.5 Kg, and 1 Kg packages. CV Pure Cianjur applies a level 1 marketing distribution channel, namely selling products through intermediaries before finally reaching the hands of the final consumer. The intermediary in question is a retail company that cooperates with CV Pure Cianjur. Promotional activities carried out by CV Pure Cianjur in its retail company are by participating in a promotional program held by Transmart Carrefour. Transmart Carrefour holds promotions on certain days or holidays such as Eid al-Fitr and others. The form of promotion is to give a discount of 10% of the selling price. The selling price of pure Pandanwangi rice at the four Carrefour Transmarts is the same.

b. The contribution of each marketing mix to the sales turnover of pure Pandanwangi rice is as follows: The largest marketing mix contribution to sales turnover is the price mix, followed by the place mix. Product mix and promotion contributed insignificantly, except for 1 kg packaging.

5. Recommendation

Pandanwangi rice is a product of geographical indication and germplasm that should be preserved. Research related to Pandanwangi is still needed so that the data bank on Pandanwangi is more complete.

Previous studies have studied the influence of the marketing mix on consumer values such as consumer preferences, customer satisfaction and customer loyalty. This research proves that sales turnover is directly influenced by the condition of the marketing mix. Promotion to introduce and inform the product, does not provide meaning in increasing sales turnover. This is due to Pandanwangi rice which is a special quality class of rice and is a geographical indication product, which is a guarantee of quality products.

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