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ANALYSIS INFLUENCE OF INTEGRATED MARKETING COMMUNICATION, MARKET SEGMENTATION OF BRAND AWARENESS AND DECISION OF PURCHASE OF MILK BASED FORMULA IN GERBANGKERTASUSILA AREA

Hari Cahyono, Abdul Halik, Sumiati

Master of Management Study Program Faculty of Economics and Business University August 17, 1945 Surabaya, East Java.

Email: hari.cahyo21@gmail.com, halik@untag-sby.ac.id, sumiatife@untag-sby.ac.id

Abstract

This researcher discusses intergrated marketing communication on formula milk products in certain market segments in brand awareness. The marketing of Formula Milk products in the process of determining the marketing strategy that will be used because with this literature the company will make a strategy to fill opportunities in the market that are also contrary to laws and regulations.

Keywords: *Marketing Communication, Market Segmentation, Brand Awreness, and Buying Decisions*

INTRODUCTION

Mother's Milk or so-called ASI is a liquid that is formed from a mixture of two substances namely fat and water that contains protein, lactose and inorganic minerals produced by the breast glands of the mother and is useful as baby food during the phase of not being able to get other intake from outside (Mary Greece, 2012). In optimizing the growth of infants, breastfeeding for infants as the only food should be done for six months without giving additional fluids or other food additives. This program is referred to as an exclusive breastfeeding program that has been regulated in article 128 of Law No. 36 of 2019 on health in which it is stipulated that every baby is entitled to exclusive breastfeeding from birth for 6 months, unless there are medical indications (Ministry of Health, 2013) .

Master of Management Study Program Faculty. UNTAG Surabaya Economics and Business

The use of Formula Milk in the world as an additional ASI has been used by humans for a long time. The development of Formula Milk sales has spread to various parts of the world. Rossen et.al (2015) suggested that the majority of babies in the United States consume Cow Milk-Based Formula with an amount of about 69%, while others use milk made from several types of raw materials such as soy milk, special formula milk. The use of breast milk in the United States community itself is about 13%. Presentation of the use of breast milk varies depending on the level of education of the mother and the level of income. Referring to the data released by BKKBN, the average annual birth rate in Indonesia reaches 4.8 million. This large market potential also causes many companies to continue competing to win the market. Some large scale companies that have a focus on the sale of Formula Milk include Danone Group (Nutricia and Sari Husada), Nestle, Frieslandcampina (Frisian Flag).

With the large phenomenon of the use of Formula Milk in the world, many global companies continue to develop Formula Milk products. Business development that is carried out refers to several aspects including in terms of marketing. The development of an appropriate marketing strategy that is different from other Fast Moving Consumer Goods (FMCG) products must be done due to several factors, including the prohibition of product promotion regulated in Government Regulation of the Republic of Indonesia No. 33 of 2012 Article 19. The government regulation explains that the Producers or Distributors of Infant Formula Milk and / or other baby products are prohibited from carrying out activities that can hinder the exclusive breastfeeding program in the form of, free sample of Infant Formula milk products and or other baby products or any form to the provider of Health Service facilities, Health workers, pregnant women, or mothers who have just given birth; and advertising of Infant Formula Milk that is published in mass media, both print and electronic, and outdoor media (Government of the Republic of Indonesia, 2012)

Proper Integrated Marketing Communication can have a positive impact on the development of Formula Milk marketing due to government regulations that prohibit the promotion of formula milk directly in the media both electronic and digital media. The IMC strategy must be made by considering various aspects by considering to minimize the negative impacts that occur. Integrated Marketing Communication in relation to marketing Formula Milk is directed and focused on communication to endorsers, namely appropriate medical personnel. Integrated Marketing Communication is a support to provide product recommendations for patients who need and in accordance with the needs of patients, namely patients who need formula milk support due to medical problems experienced.

In conditions that make it impossible to promote formula milk products help from medical staff will play an important role in recommending and making communication as formula milk companies. Consumer confidence will be stronger in the decision to buy formula milk. The situation which is not fully supportive in recommending will be the same as the collision with the government issued regulation on exclusive breastfeeding and the regional regulation on the best nutrition awareness towards the good nutrition in the future.

Medical personnel including midwives and doctors who play a direct role in handling newborn patients and know the situation in recommending formula milk. This role is very important for the patient's decision to continue to buy a dairy product, because the trust of medical personnel will be stronger for consumers not to replace the recommended formula milk. Therefore, the authors are interested in conducting research on "The Effect of Integrated Marketing Communication Market Segmentation on Brand Excellence Awareness and Buying Decisions on Formula Milk in Gerbangkertasusila".

This study aims to analyze the effect of service quality variables, which include integrated marketing communication, market segmentation, brand awareness and the decision to buy a product. With the location in GERBANGKERTASUSILA (Gresik, Bangkalan, Mojokerto, Surabaya, and Lamongan), the discussion is limited to the effect of communication on buying decisions on a product. It is essential to adopt strategic approach to accelerate the financial performance Ridwan, and Marti (2012); Ridwan (2000); Ridwan, M Sihab (2019); Wilujeng et al (2019); S. S. Omar et al (2018).

Marketing

Marketing is an important function in a company because the marketing division will always bring income to the company. But how much should be invested in these marketing activities. Every company has different marketing cost preferences. The definition of marketing based on the American Marketing Association (AMA) (2007) is an activity, an institution, and the process of creating, communicating, giving, and exchanging something that has value for customers, client partners, and society in general.

In marketing marketing, marketers must have a correct understanding of how to formulate the right strategy to optimize all available resources. According to Dunn and Halsall (2009), marketing must develop a holistic strategy (marketing strategy formulated with consideration of the company's overall business from the perspective of the economy, society, and its customers).

Intregated Marketing Communication

Marketing communication is an effort made by a company to inform, persuade, and remind consumers about the products or brands that are sold by the company. It can be said that marketing communication is the voice of the company and its product brands and marketing communication is useful for building a relationship with its customers (Kotler & Keller, 2011). Whereas Integrated Marketing Communications (IMC) is a planning concept of marketing communication that is carefully assembled. The plan covers the whole of marketing communication activities so as to show a clear, consistent, and perfectly integrated message (Kotler & Keller, 2011).

Market segmentation according to Kotler (2012) a market consisting of a group of customers who have a similar set of needs and desires. Market segmentation is the process of classifying markets (which are heterogeneous) into groups of "potential costumers" who have the same needs and / or similar characters who have the same response in spending their money. Because of its homogeneous nature, it will be difficult for producers to serve it, therefore marketers must choose only certain segments and leave other parts of the market. The selected segment part must also be adjusted to the capabilities of the producer and this selected part is a homogeneous part that has the same characteristics.

Brand Awareness

According to Aaker in Rangkuti (2008), brand awareness is the ability of a buyer to recognize or recall that a brand is part of a particular product category. Meanwhile, according to Durianto et al (2004), brand awareness is the ability of a prospective buyer to recognize, recall a brand as part of a particular product category. Tjiptono (2005) says that brand awareness is the ability of consumers to recognize or remember that a brand is a member of a particular product category. Kotler and Keller (2008) state brand awareness is the ability of consumers to identify brands under different conditions, as reflected by their brand recognition or reminder achievement.

Buying Decision

Purchasing decisions are a series of processes that start from consumers knowing the problem, finding information about a particular product or brand and evaluating the product or brand how well each alternative can solve the problem, which then leads to a purchase decision (Tjiptono, 2014) . Kotler and Keller (2012) add that, the purchasing decision process is a five-stage process that consumers go through, starting from problem recognition, information seeking, evaluating alternatives that can solve the problem, purchasing decisions, and post-purchase behavior, which begin long before the actual purchase done by consumers and has a long after impact.

RESEARCH METHODS

Desai Questionnaire

In this study the questionnaire design was used which referred to the aspects examined in this study, namely:

Table 1. Questionnaire Design

Variable	Indicator
<i>Integrated Marketing Communications</i>	1.1 Advertising / Advertising 1.2 Event / Event 1.3 Public Relations
The market segmentation	2.1 Geographical Segmentation 2.2 Demographic Segmentation 2.3 Psychographic Segmentation 2.4 Behavior Segmentation
<i>Brand Awareness</i>	3.1 Ability to Remember at the Top Level of Mind 3.2 Ability to Recognize Brands 3.3 Ability to recall brands
Buying decision	4.1 Stability on a product 4.2 Habits in buying products 4.3 Speed in buying a product

Scale of Measurement

Measurement scale is an agreement that is used as a reference to determine the length of the short interval in the measuring instrument, so that the measuring instrument when used in measurement will produce quantitative data. (Agus Irianto, Basic Concept Statistics and Its Applications, 2004)

There are two types of measurement scales, namely:

a. Scale Nominal Nominal scale is the simplest scale arranged according to type (category) or number function as a symbol to distinguish a characteristic from other characteristics. Riduwan, Measurement Scale of Research Variables, (Bandung: Alfabeta, 2005)

b. Scale Ordinal Scale ordinal scale is a scale based on the ranking sorted from a higher level to the lowest level or vice versa.

Validity test

Validity testing for reflective indicators uses the correlation between item scores and construct scores. Measurement with reflective indicators shows a change in an indicator in a construct if other indicators in the same construct change (or are excluded from the model). Reflective indicators are suitable for measuring perceptions so this study uses reflective indicators.

An indicator is declared valid if it has a loading factor above 0.5 against the intended construct. The SmartPLS output for loading factor gives the following results:

Outlet Loading Table

	Integrated Marketing Communications	The market segmentation	Brand Awareness	Buying decision
IMC-1	0.812			
IMC-2	0.777			
IMC-3	0.808			
SP-1		0.844		
SP-2		0.723		
SP-3		0.681		
SP-4		0.640		
BA-1			0.750	
BA-2			0.783	
BA-3			0.724	
KP-1				0.868
KP-2				0.793
KP-3				0.813

Table 5.10 above shows that all variables have a loading factor with a value above the recommended value of 0.5. The smallest value is 0.640 for the SP-4 indicator.

Validity test

Reliability test is done by looking at the composite reliability value of the indicator block that measures the construct. The results of composite reliability will show a satisfactory value if above 0.7. Here are the composite reliability values in the output:

Table 5.13 Composite Reliability

	Composite Reliability
Integrated Marketing Communications	0842
The market segmentation	0815
Brand Awareness	0.796
Buying decision	0864

Table 5.13 above shows that the composite reliability value for all constructs is above 0.7 which shows that all constructs in the estimated model meet the discriminant validity criteria. The lowest composite reliability value is 0.796 in the Brand Awareness construct.

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Table 5.14 **Cronbach's alpha**

	Cronbachs Alpha
Integrated Marketing Communications	0.717
The market segmentation	0.697
Brand Awareness	0.616
Buying decision	0.764

The recommended value is above 0.6 and the table 5.14 above shows that the Cronbach's Alpha value for all constructs is above 0.6. The lowest value is equal to 0.616 in the Brand Awareness construct.

Test Instrument

Before being actually used, the research instruments were tested to test their level of validity and reliability. An instrument is said to be valid if it is able to measure what is desired or can reveal data from the variables studied appropriately, and is said to be reliable if it can be used as a data collection tool and will not direct respondents to choose certain answers so that it is believed to produce reliable data also (Arikunto, 2004).

Pearson validity test is based on product moment correlation, while the reliability test is measured by the internal consistency method with alpha reliability techniques. The instrument testing uses the SPSS (Statistical Product and Service Solutions) program released 11.5 (Singgih and Tjiptono, 2000).

Structural Model Testing (Inner Model)

After the estimated model meets the Outer Model criteria, the structural model (Inner model) is then tested. Following are the R-Square values in the construct:

Table 5.16 **R-Square**

	R Square
Integrated Marketing Communications	
The market segmentation	
Brand Awareness	0.914
Buying decision	0.976

Table 5.16 above gives an R Square value of 0.914 for the Brand Awareness construct, which means that Integrated Marketing Communications and Market Segmentation is able to explain the Brand Awareness variance of 91.4%. In the Purchase Decision construct has an R Square value of 0.976 which means that Integrated Marketing Communications and Market Segmentation of the Purchase Decision variance is 97.6%.

Hypothesis testing is as follows:

The results of the calculation of the path analysis performed by the smart-PLS program are shown in Figure 5.6 below.

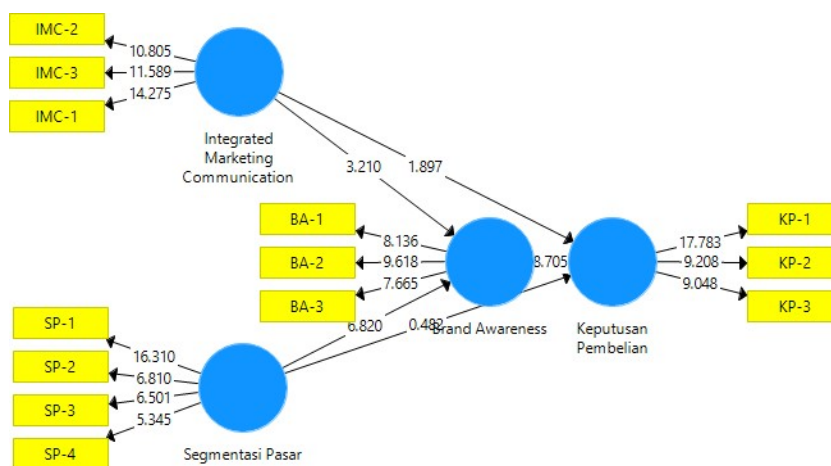


Figure 5.6 Calculation Results for Path Analysis - SmartPLS

Figure 5.6 is then summarized into the calculation results in Table 5.17 below.

Table 5.17

Recapitulation of Path Analysis

	Original Sample	Standard Error	T Stat.	Information
Integrated Marketing Communication > Brand Awareness	0.324	0.104	3.110	Significant
Market Segmentation > Brand Awareness	0.656	0.097	6,731	Significant
Integrated Marketing Communication > Buying decision	0.127	0.071	1,776	Not significant

Buying decision

Market Segmentation>				Not
	0.047	0.101	0.462	
Buying decision				Significant
Brand Awareness>				
Purchasing Decisions	0827	0.103	8041	Significant

Conclusion

Based on the results of research examining the effect of Integrated Marketing Communications and Market Segmentation on Brand Awareness and Purchasing Decisions on Formula Milk at Kerta Susila Gate, the following conclusions can be drawn:

1. Integrated Marketing Communications (X1) has a positive and significant influence on Brand Awareness (Z) on Formula Milk at Kerta Susila Gate.
2. Market Segmentation (X2) has a positive and significant influence on Brand Awareness (Z) on Formula Milk at Kerta Susila Gate.
3. Integrated Marketing Communications (X1) has a positive but not significant effect on the Buying Decision (Y) on Formula Milk at Kerta Susila Gate.
4. Market Segmentation (X2) has a positive but not significant effect on the Buying Decision (Y) on Formula Milk at Kerta Susila Gate.
5. Brand Awareness (Z) has a positive and significant influence on Buying Decisions (Y) on Formula Milk at Kerta Susila Gate.

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