



CIGAR MARKETING MIX STRATEGY IN DEVELOPING COUNTRIES: DOES BRAND IMAGE INFLUENCE THE PURCHASING DECISION PROCESS?

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Abstract:

The purpose of this study is to investigate the effect of marketing mix strategy through the mediating role of brand image on customers buying intention. The author collected 80 questionnaires from respondents, which were the customers at Boss Image Nusantara (BIN) Jember outlet and analyzed simultaneous relations with path analysis. The results indicate that the marketing mix strategy, which covers the combination of product, price, place, and promotion components significantly affect the customers buying intention. Additionally, marketing mix strategy has a significant influence on brand image. Moreover, brand image was found to have a significant positive impact on the customers buying intention. Based on the findings, the results are expected to create a useful perspective for the manager at BIN Jember to develop better integration of each component of the marketing mix strategy they implemented, especially the promotion. Although many prior types of research focused on the relationships among the variables of marketing mix strategy on customers buying decision, the current study considers the mediating role of brand image and tries to focus on customers purchase intention only. This point highlights the novelty and originality of this study.

Keywords: marketing mix strategy, brand image, customers buying intention

1. Introduction

Jember Regency is an area known as an agricultural and plantation area for a long time. The main commodity of plantation production is tobacco. This potential is why many companies are engaged in processed tobacco products, namely mild cigarettes and clove cigarettes and cigars. One of the companies involved in the cigar industry sector is Boss Image Nusantara (BIN).

BIN started cigar production in 2012 (<https://tirto.id/>, 2019). BIN can produce premium quality cigars with the capacity of: a) Boss Image ROBUSTO 10,000 Stems /

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month, b) CORONA Image Boss 10,000 stems / month, c) HALF CORONA Image Boss 10,000 stems / month, d) Boss Image LA NINA 20,000 stems / month, e) Boss Image of El Nino 20,000 cigarettes / month, and f) MOONLIGHT (small cigar) 20,000 cigarettes / month. Cigar BIN products consist of two packages that use wooden box packaging and paper box packaging. The cigar products produced by BIN have local, regional and international market share. Many BIN cigars are exported mainly to Malaysia. However, currently, export activities have expanded to several other destination countries such as Japan, Germany, and Turkey, in addition to Slovakia and Cyprus.

Foreign markets demand good product quality that fosters trust, satisfaction and loyalty (Kotler and Keller, 2011; Kaur, and Harmeen Soch, 2018). Quality Demand is the most important thing besides environmental problems. Very tight market competition both in the local market and in the international market, encourages BIN always try to improve and maintain product quality consistently to produce cigars with premium quality (<https://bincigar.com/company/>, 2019).

The company's marketing concept shows that consumer-purchasing decisions are buying the most preferred brand (Harrington et al., 2017; Kim, and Jihye, 2018). Consumers may form purchase intentions based on factors such as product quality, income, price, promotion and location (Chikweche and Richard, 2012; Pantano et al. 2017; Solimun and Fernandes, 2018), but unexpected events can change consumer purchase intentions.

Consumer purchase interest is inseparable from consumer perceptions of brand image (Datta et al., 2017). According to Sutisna (2001: 83), brand image is a positive image of a brand; consumers are more likely to make purchases. Companies can develop product lines by utilizing positive images (Lee and Yuri, 2018) that have been forming on old product brands, and policies family branding and advantage branding (Rindell and Tore, 2010; Keller, 2008) can do if the existing product image is positive. Thus, brand image has a significant role in influencing consumers in the purchasing decision process.

2. Literature Review

Products are all goods or services that producers offer consumers to buy. The definition of products in this study is all goods provided by BIN Jember outlets (Al Badi, 2018). The products offered are diverse, such as various cigar products, souvenirs nuanced cigar, and souvenirs typical of Jember. The outcomes in this study were measured using indicators, namely: Quality, Packaging, Variant, and Brand Name (Chattopadhyay et al. 2010; Budiwati, 2012; Melisa, 2012; Setiawan, 2014; Carolina, 2015; Fahcriza, 2017).

Price is the amount of money billed for a product or service from the value exchanged by customers to get the benefits of owning or using a product or service (Kotler and Armstrong, 2008: 283). Price is the amount of money charged to consumers to consume BIN Jember cigar products. In this study the price variable is measured through indicators adopted from previous research conducted by Norfiyanti (2012),

which uses three symbols, among others: Price conformity with the benefits of cigar products, Competitive prices of cigar products compared to other cigar products, and Price appropriateness with product quality cigar (Chattopadhyay et al., 2010; Mandey, 2013).

Location is the place chosen by the company to set up a business (Chattopadhyay et al., 2010; Tapp and Fiona, 2013). The more strategic the business location, the better the business development will be an increase in consumer interest in buying. The situation in this study is a place related to where BIN outlets conduct company operations. The location in this study was measured using indicators, namely: Strategic outlet location, accessibility, and adequate outlet parking area (Budiwati, 2012; Melisa, 2012; Setiawan, 2014; Carolina, 2015; Fahcriza, 2017).

Promotion is a communication that is used by producers to influence consumers to make purchases (Chattopadhyay et al., 2010; Mintz and Imran, 2013). What is meant by promotion in this research is a promotion in the form of product samples, price discounts, bonuses, and shopping vouchers given by BIN Jember outlets to consumers to attract consumers to buy? Development in this study was measured using indicators, namely: product samples, information services, and price discounts (Budiwati, 2012; Melisa, 2012; Setiawan, 2014; Carolina, 2015; Fahcriza, 2017).

Brand image according to Setiadi (2003: 180) is referring to the memory scheme of a brand that contains consumers' interpretations of the attributes, excess usage, users and marketer characteristics and characteristics of the makers of the product or brand. Brand image is the consumer's belief in the BIN Jember cigar product brand. In this study, the brand image variable measured through indicators adopted from previous studies conducted by Suharto (2016) using three symbols including consumer perception of BIN Jember, consumer perception of manufacturing technology, and user image.

Interest in buying a product arises because it is aware of the trust in the outcome accompanied by the ability to purchase the product (Simamora, 2011: 106). Buying interest is an act of consumers' tendency to buy BIN Jember cigar products. In this study the purchase interest variable is measured through indicators adopted from previous studies conducted by Pratama (2014) using four indicators including: Transactional Interest, Referential Interest, Preferential Interest, and Explorative Interest (Martenson, 2007; Mukherjee et al., 2016; Efanny et al., 2018; Lee and Lee, 2018). Based on the literature review and the results of previous research studies, the hypotheses in this study are:

- H1: Product influences brand image of BIN Jember cigar cigar.
- H2: Price influences the brand image of BIN Jember cigar cigar.
- H3: Location affects the brand image of BIN Jember cigar cigar.
- H4: Promotion changes the brand image of BIN Jember cigar cigar.
- H5: Product influences customers buying intention of BIN Jember cigarettes.
- H6: Price influences customers buying purpose of BIN Jember cigarettes.
- H7: Location affects customers purchasing the use of BIN Jember cigarettes.

H8: Promotion influences customers buying intention of BIN Jember cigarettes.

H9: Brand image influences customers buying purpose of BIN Jember cigarettes.

3. Material and Methods

3.1 Population and Sample

The population in this study is all visitors who come to BIN outlets in Jember. The technique used for sampling in this study uses purposive sampling, with several criteria, namely: respondents are visitors who show interest in making purchases in terms of behaviour such as looking for information related to cigars and choosing products, aged 18 years (Respati et al., 2004), and is willing to fill out a questionnaire voluntarily. The number of respondents needed in this study is the independent variable (4×20) = 80 respondents (Hair et al., 2010: 172).

3.2 Test Instrument

Validity test is intended to determine the extent of the validity of the data obtained based on a questionnaire given to respondents. Based on the Pearson product-moment correlation test results (Sugiyono, 2012: 109), it can seem that all statement items have r-calculated values greater than r-tables. The r-table value obtained from $N-2$ ($80-2 = 78$) has a value of 0.2199 (Priyatno, 2016: 153). The validity test is said to be valid because all the significance values are less than 0.05. Therefore, it can conclude that each statement item from the questionnaire is valid.

Reliability testing is performed using the Cronbach Alpha statistical approach because the number of statement items for each variable is not more than ten items, then a variable is said to be reliable if the Cronbach Alpha value > 0.70 (Ghozali, 2005: 41). Meanwhile, the normality test used in this study is the Kolmogorov-Smirnov test data normality by setting a degree of confidence α of 5%.

3.3 Data Analysis Tool

Path analysis is part of the regression analysis used to analyze the relationship between variables, where each independent variable influences the dependent variable directly or indirectly through one or more intermediary variables (Sarwono, 2006). Thus, this study uses path analysis to estimate the causal influence between variables and the position of each variable in the path, both directly and indirectly.

Path calculation explains the effect of Marketing Mix Strategy (X), both directly and indirectly on buying the interest of BIN Jember cigarettes (Y) through the mediating role of intervening brand image (Z) variables. Before testing whether there is a direct or indirect influence, each path tested for significance. If there is an insignificant pathway, then a trimming theory is implemented by removing or removing the irrelevant path.

Mediation Test with Sobel Test (Ghozali, 2005: 81). Sobel test is a test to find out whether a relationship through a mediating variable is significantly capable as a

mediator in that relationship. Thus, the effect of the marketing mix on buying interest through the brand image as a mediator can be seen whether it is significant or not.

4. Results and Discussion

4.1 Description of Respondent Characteristics

The respondents in this study were 80 customers of BIN Jember, selected using purposive sampling technique. Respondents can distinguish by age, occupation, and intensity of purchase in one month. Questionnaires were given directly by researchers to respondents. The survey was given as many as 100 sheets, and that was declared worthy of being processed as many as 80 sheets of the questionnaire. The questionnaire data collection and processing period were conducted for approximately one month during July 2019. Characteristics of respondents are shown in the following Table 1:

Table 1: Description of Respondent Characteristics

Characteristics	Distribution of Respondents	Frequency	Percentage (%)
Age	18-22 old	12	15
	23-27 old	21	26,25
	> 28 old	47	58,75
	Amount	80	100
Occupation	College student	6	7,5
	Public / Private Servants	17	21,25
	Entrepreneurship	57	71,25
	Amount	80	100
The intensity of the purchase in a month	1-3 times	61	76,25
	3-5 times	13	16,25
	> 5 times	6	12,5
	Amount	80	100

Source: Primary data processed, 2019.

Based on Table 1 above, it can be seen that the majority of respondents aged over 28 years with a percentage of 58.75%, work as entrepreneurs with a rate of 71.25%, and make purchases between 1-3 times a months with a rate of 76.25%. That is, the majority of respondents generally are adults with entrepreneurial work. This is because the image of a cigar is still considered an exclusive product at a premium price. The intensity of the purchase of the majority of respondents is between 1-3 times a months. It can be said that the strength of consumer purchases is not frequent; this is because cigars are secondary goods.

4.2 Path Analysis Results

Path analysis is used to analyze the pattern of causal relationships between variables in order to determine the direct and indirect effects, simultaneously several exogenous variables on endogenous variables. The magnitude of the impact from a cause variable

to an effect variable is called the path coefficient and is given the symbol β_{zx_i} , β_{yx_i} , and β_{yz} .

The path coefficient values indicate the overall effect of the variables X1, X2, X3, and X4 on the Z variable, the overall impact of the X1, X2, X3, and X4 variables on the Y variable, and the effect of the Z variable on the Y variable. The path analysis results presented in Table 2 below.

Table 2: Path Analysis Results

Description	Path	Path coefficient	β	Sig.
The path of the direct effect of the variable X on Z	$X_1 \rightarrow Z$	β_{zx1}	0,184	0,010
	$X_2 \rightarrow Z$	β_{zx2}	-0,003	0,009
	$X_3 \rightarrow Z$	β_{zx3}	0,181	0,011
	$X_4 \rightarrow Z$	β_{zx4}	0,210	0,006
The path of the direct effect of the variable X on Y	$X_1 \rightarrow Y$	β_{yx1}	0,093	0,041
	$X_2 \rightarrow Y$	β_{yx2}	-0,038	0,073
	$X_3 \rightarrow Y$	β_{yx3}	0,287	0,014
	$X_4 \rightarrow Y$	β_{yx4}	-0,060	0,006
The path of the direct effect of the variable X on Z	$Z \rightarrow Y$	β_{yz}	0,039	0,007

Source: Primary data processed, 2019.

Based on Table 2, we get the structural equation pathway model as follows:

$$Z = 0,184X_1 + 0,003X_2 + 0,181X_3 + 0,21X_4 + e \quad \dots \text{ (Equation 1)}$$

$$Y = 0,093X_1 - 0,038X_2 + 0,287X_3 - 0,06X_4 + 0,039Z + e \quad \dots \text{ (Equation 2)}$$

All paths in Table 2 except the β_{yx2} pathway have a significance value of more than 0.05 ($p > 0.05$) or constitute an insignificant path. Under the terms of trimming theory, irrelevant paths will be removed before direct and indirect effects are tested. Then the β_{yx2} way must be removed.

4.3 Hypothesis Test (t-test)

This study proposes the primary hypothesis that "brand image mediates the relationship between marketing mix and buying interest in BIN Jember cigarettes positively and significantly". The central hypothesis is derived into nine predictions, which in detail state the relationship of each variable in this study. Hypothesis in this study, t-test was used to determine the effect of independent variables on the dependent variable partially.

Table 3: Hypothesis Test Result

Hypothesis	Path	t-count	β	Sig.	Result
H ₁	$X_1 \rightarrow Z$	3,165	0,184	0,010	Supported
H ₂	$X_2 \rightarrow Z$	2,026	0,003	0,009	Supported
H ₃	$X_3 \rightarrow Z$	3,123	0,181	0,011	Supported
H ₄	$X_4 \rightarrow Z$	3,394	0,210	0,006	Supported
H ₅	$X_1 \rightarrow Y$	2,319	0,093	0,041	Supported

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Hypothesis	Path	t-count	β	Sig.	Result
H ₆	X ₂ → Y	-1,843	-0,038	0,073	Not Supported
H ₇	X ₃ → Y	5,019	0,287	0,014	Supported
H ₈	X ₄ → Y	-2,028	-0,060	0,006	Supported
H ₉	Z → Y	2,340	0,039	0,007	Supported

Source: Primary data processed, 2019.

The criterion for accepting a correlation hypothesis is if $|t\text{-count}| > t\text{-table}$ and the significance value is less than 0.05 (Sig. <0.05). T-table values obtained from N-k (80-4 = 76) have a value of 1.9917. Therefore, based on the t-value and significance value in Table 3 above, it can be seen that the supported hypotheses are H1, H2, H3, H4, H5, H7, H8, and H9, while the unsupported hypothesis is H6. This means that besides price, other marketing mix variables and brand image have a positive and significant effect on buying an interest in BIN Jember cigarettes. The results of the path analysis can be seen in the following figure:

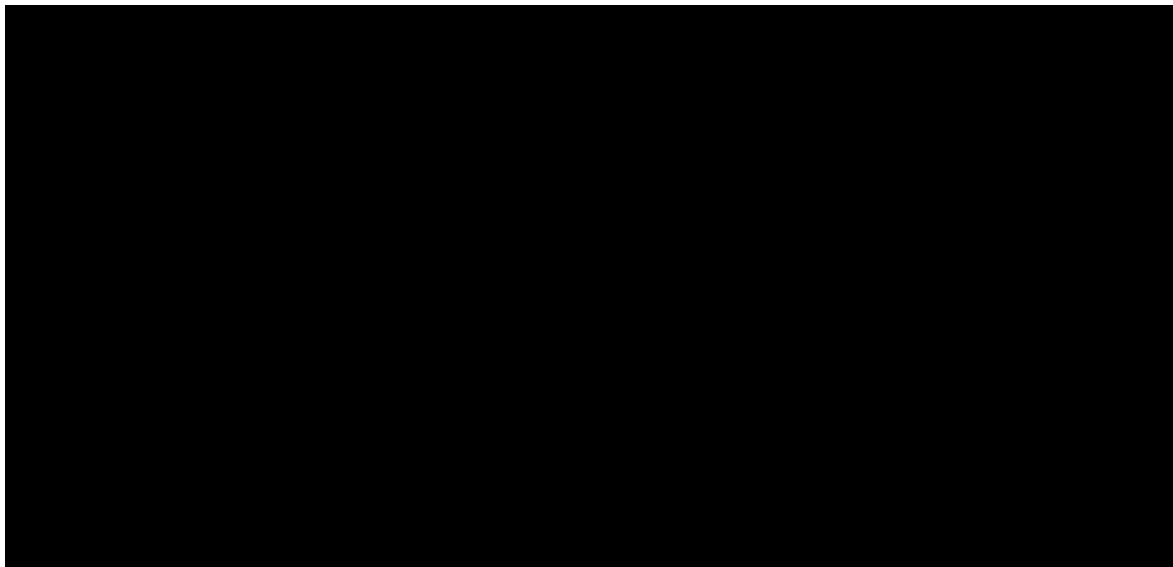


Figure 1: Path Analysis Test Results

4.4 Trimming Theory

Trimming theory is a model used to improve a structural model of path analysis by excluding exogenous variable models whose path coefficients are not significant. Based on the results in Table 4 All significant paths except the β_{yx2} pathway have a significance value of more than 0.05 ($p > 0.05$) or constitute an insignificant pathway, the β_{yx2} way must be removed. Proof of the new model in the calculation after returning the path test without including the X2 variable is as follows:

Table 4: Path Analysis Results Based on Trimming Theory

Standardized Path	Beta	Sig	α	Description
X1 → Z	0,351	0,000	0,05	Significant
X3 → Z	0,272	0,002	0,05	Significant

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X4	→	Z	0,214	0,007	0,05	Significant
X1	→	Y	0,354	0,000	0,05	Significant
X3	→	Y	0,250	0,002	0,05	Significant
X4	→	Y	0,188	0,007	0,05	Significant
Z	→	Y	0,210	0,010	0,05	Significant

Based on Table 4 analyze the first path, it can be explained that between Product (X1) and Brand Image (Z) has a significant effect. This can be seen by the results of a significant value that is 0,000 less than $\alpha = 0.05$. The second path between Place (X3) and Brand Image (Z) has a significant effect that is equal to 0.002 smaller than $\alpha = 0.05$. The third path between Promotion (X4) and Brand Image (Z) has a significant effect that is equal to 0.007 smaller than $\alpha = 0.05$. The fourth path between Product (X1) and Buying Interest (Y) has a significant effect of 0,000, which is smaller than $\alpha = 0.05$. The fifth path between Places (X3) and Buying Interests (Y) has a significant effect that is equal to 0.002. The sixth path between Promotion (X4) and Purchase Interest (Y) has a significant effect that is equal to 0.007. The seventh path between Brand Image (Z) and Purchase Interest (Y) has a significant influence that is equal to 0.010. After removing the insignificant β_{yx2} pathway, a new Y structural equation is obtained:

$$Z = 0,351X_1 + 0,272X_3 + 0,214X_4 + e \dots \dots \dots \text{(Equation 3)}$$

$$Y = 0,354X_1 + 0,250X_3 + 0,188X_4 + 0,210 Z + e \dots \dots \dots \text{(Equation 4)}$$

4.5 Calculation of Direct and Indirect Effects

Based on the results of the trimming theory, if all the paths are significant, direct and indirect effects are calculated. The calculation process is as follows:

a. Direct Effect (Direct Effect)

- 1) The direct effect of the product variable on brand image is 0.351.
- 2) The direct effect of the Place variable on Brand Image is 0.272.
- 3) The direct effect of the Promotion variable on Brand Image is 0.214.
- 4) The direct effect of the Product variable on Purchase Interest is 0.354.
- 5) The direct effect of the Place variable on Purchase Interest is 0.250.
- 6) The direct effect of the Promotion variable on Buying Interest is 0.188.
- 7) The direct effect of the Brand Image variable on Purchase Interest is 0.210.

b. Indirect Effect (Indirect Effect)

- 1) The indirect effect of Product variables through Brand Image on Purchase Interest $(0.351 \times 0.354) = 0.124$
- 2) The indirect effect of the Place variable through Brand Image on Purchase Interest $(0.272 \times 0.250) = 0.068$
- 3) The indirect effect of Promotion variable through Brand Image on Purchase Interest $(0.214 \times 0.188) = 0.040$

c. Total Effect

- 1) Total effect: $Y \ X1 \rightarrow Z \rightarrow Y, : 0.124 + 0.210 = 0.334$ or 33.4%

- 2) Total effect: $Y \rightarrow X3 \rightarrow Z \rightarrow Y_i$; $0.068 + 0.210 = 0.278$ or 27.8%
 3) Total effect: $Y \rightarrow X4 \rightarrow Z \rightarrow Y_i$; $0.040 + 0.210 = 0.250$ or 25%

4.6 Sobel Test

The model above is a model that is formed from the results of the first and second regressions to form a path analysis model (path analysis) with the brand image variable as its mediator. The Z value of the Sobel test cannot be generated directly from the regression results but with manual calculation using the Sobel Test formula. Sobel Test results are as follows:

Table 5: Sobel Test Result

Bxz	SExz	Bxy	SExy	Bxz*Bxy	Bxz ²	SExz ²	Bxy ²	SExy ²	(Bxz ²)*(SExy ²)	(Bxy ²)*(SExz ²)	
0,351	0,054	0,354	0,051	0,124	0,123	0,003	0,125	0,003	0,00032	0,00037	
0,272	0,107	0,25	0,099	0,068	0,074	0,011	0,063	0,010	0,00073	0,00072	
0,214	0,099	0,188	0,09	0,040	0,046	0,010	0,035	0,008	0,00037	0,00035	
									0,00142	0,00143	
Total				0,23249				0,00284			
SQRT								0,05333			
Z score								4,35953			
α								0,05			
Z table								1,98			

Based on Sobel test in Table 5 shows that the Sobel test above gets a Z value of 4.359, because the Zhitung value obtained is $4.359 > 1.98$ (Stable) with a significance level of $\alpha = 5\%$, then proves that Brand Image is able to mediate the relationship between Product, Place and Promotion of Interest in Buying BIN Cigars in Jember City.

5. Discussion

The results of this study imply that Product Influence on Brand Image of BIN Jember Cigar Cigarettes is significant. Testing the first path about the effect of the product variable (X1) on the brand image variable (Z), obtained a path coefficient of 0.184 and a t-test value of 3.165, with a significance value of 0.01. The significance value of 0.01 is smaller than α ($p < 0.05$), indicating that the product has a significant effect on brand image. Then H1 is supported. This result shows better the cigar products, which include quality, packaging, variants, and memorable brand names, the more positive the brand image of BIN Jember cigar cigarettes. This explanation is in line with what was stated by Kotler (2008: 282) that a brand name that shows something about the benefits and quality of a product would build a sharp brand image.

Testing the second path about the effect of the price variable (X2) on the brand image variable (Z), obtained a path coefficient of 0.003 and a t-test value of 2.026, with a significance value of 0.009. The significance value of 0.009 is smaller than α ($p < 0.05$), indicating that the price has a significant effect on brand image. Then H2 is supported. This shows that the higher the number of cigar cigarettes, the more positive the brand image of BIN Jember cigarettes. Furthermore, this is in line with the notion that cigar cigarettes are premium goods, where premium goods are strictly related to prices that

are also premium or high. Therefore, it can be concluded that high rates have a positive influence on the brand image of BIN Jember cigar cigarettes. This explanation is in line with the statement of Peter and Jerry (1996) that high prices can connote high quality (positive brand image).

Testing the third path about the effect of the place variable (X3) on the brand image variable (Z), obtained a path coefficient of 0.181 and a t-test value of 3.123, with a significance value of 0.011. The significance value of 0.011 is smaller than α ($p < 0.05$), indicating that the place or outlet has a significant effect on brand image. So H3 is supported. This shows that the better the place or outlet that includes strategic location, the location that is widely traversed by public transportation, and the location that has an adequate parking area, the more positive the brand image of BIN Jember cigar cigarettes. This explanation is in line with the statement of Peter and Jerry (1996) that various kinds of stimulation from stores can provide a relative advantage in a product.

Testing the fourth path about the effect of the promotion variable (X4) on the brand image variable (Z), obtained a path coefficient of 0.210 with a significance value of 0.006. The significance value of 0.006 is smaller than α ($p < 0.05$), indicating that promotional activities have a significant effect on brand image. Then H4 is supported. This shows that the more promotion activities that include the provision of cigar cigarette product samples, the provision of information services, and the provision of price discounts, the more positive the brand image of BIN Jember cigar cigarettes. This explanation is in line with the statement of Peter and Jerry (1996) that promotion is used to create the right brand image by coupling stimuli that are positively evaluated.

Testing the fifth path about the influence of the product variable (X1) on the purchase interest variable (Y), obtained a path coefficient of 0.093 and a t-test value of 2.319, with a significance value of 0.041. The significance value of 0.041 is smaller than α ($p < 0.05$), indicating that the product has a significant effect on buying interest. Then H5 is supported. This shows that the better the cigar products, which include quality, packaging, variants, and brand names that are easy to remember, the higher the interest in buying cigar cigarettes BIN Jember. This explanation supports the research results of Budiwati (2012); Mandey (2013); Carolina (2015); Setiawan (2014); Melisa (2012); and Fachriza (2017).

Testing the sixth path about the effect of the price variable (X2) on the purchase interest variable (Y), obtained a path coefficient of -0.038 and a t-value of -1.843, with a significance value of 0.073. The significance value of 0.073 is more significant than α ($p > 0.05$), indicating that the price does not significantly influence buying interest. Then H6 is not supported. This shows that the price component of the cigar, which includes the suitability of rates with benefits, competitive prices, compared to other cigar products, and the relevance of prices with quality cigar products do not bring significant influence or change in the buying interest of BIN Jember cigarettes. This is in line with the notion that cigar cigarettes are premium goods, where premium goods are strictly related to prices that are also premium or high. Therefore, the price is not a consideration of consumers to buy or not buy cigar cigarettes. Furthermore, the use of

premium goods is also closely related to lifestyle and social status. This also has the potential to be the reason why prices do not affect buying interest. This explanation supports the results of Mandey's (2013) research. However, statistically, variables that have no effect in a path analysis model must be eliminated by trimming theory.

The seventh path test about the effect of place variable (X3) on the purchase interest variable (Y), the path coefficient value is 0.287, and the t-test value is 5.019, with a significance value of 0.014. The significance value of 0.014 is smaller than α ($p < 0.05$), indicating that the place or outlet has a significant effect on buying interest. Then H7 is supported. This shows that the better the place or outlet that includes strategic location, the location that is widely traversed by public transportation, and the location that has an adequate parking area, the higher the interest in buying cigar cigarettes BIN Jember. This explanation supports the research results of Budiwati (2012); Mandey (2013); Carolina (2015); Setiawan (2014); Melisa (2012); and Fachriza (2017).

Testing the eighth path about the effect of the promotion variable (X4) on the purchase interest variable (Y), obtained a path coefficient of -0.06 and t-value of -2.028, with a significance value of 0.006. The significance value of 0.006 is smaller than α ($p < 0.05$), indicating that promotional activities have a significant adverse effect on buying interest. Then H8 is supported. This shows that more and more promotional activities, which include the provision of samples of cigar cigarette products, the provision of information services, and the provision of price discounts, will, in fact, reduce the interest in buying BIN Jember cigar cigarettes. This is in line with the close relationship between price perception and premium goods mentioned earlier, the frequency of promotions that often will actually reduce consumer-buying interest for BIN Jember cigar products.

The explanation above is in line with the statement of Peter and Jerry (1996) that promotion was used to communicate a product, influencing consumers to buy it. This statement has two meanings if the advertisement is successfully used as a useful communication tool; consumer-buying interest will increase, but if what happens is the opposite, promotion can be a communication tool that decreases consumer-buying stake. This result also supports the research results of Budiwati (2012); Mandey (2013); Carolina (2015); Setiawan (2014); Melisa (2012); and Fachriza (2017).

The ninth path test on the effect of brand image variable (Z) on the purchase interest variable (Y), obtained a path coefficient of 0.039 and a t-test value of 2.34, with a significance value of 0.007. The significance value of 0.007 is smaller than α ($p < 0.05$), indicating that brand image has a significant effect on buying interest. Then H9 is supported. This shows that a positive or negative brand image also determines the high or low interest in buying BIN Jember cigarettes. This explanation is in line with Sutisna's (2001: 83) statement that a positive brand image will better enable consumers to make purchases.

5.1 Trimming Theory Result

The marketing mix, which includes product, place, and promotion, in addition to direct influence, also indirectly influence the buying interest of BIN Jember cigarettes through the mediating role of brand image variables. This test explains the effect of each of the independent marketing mix variables, both direct and indirect effects on the buying interest of BIN Jember cigarettes through the brand image variable. The direct and indirect influence models in this study are presented in Figure 2 below:

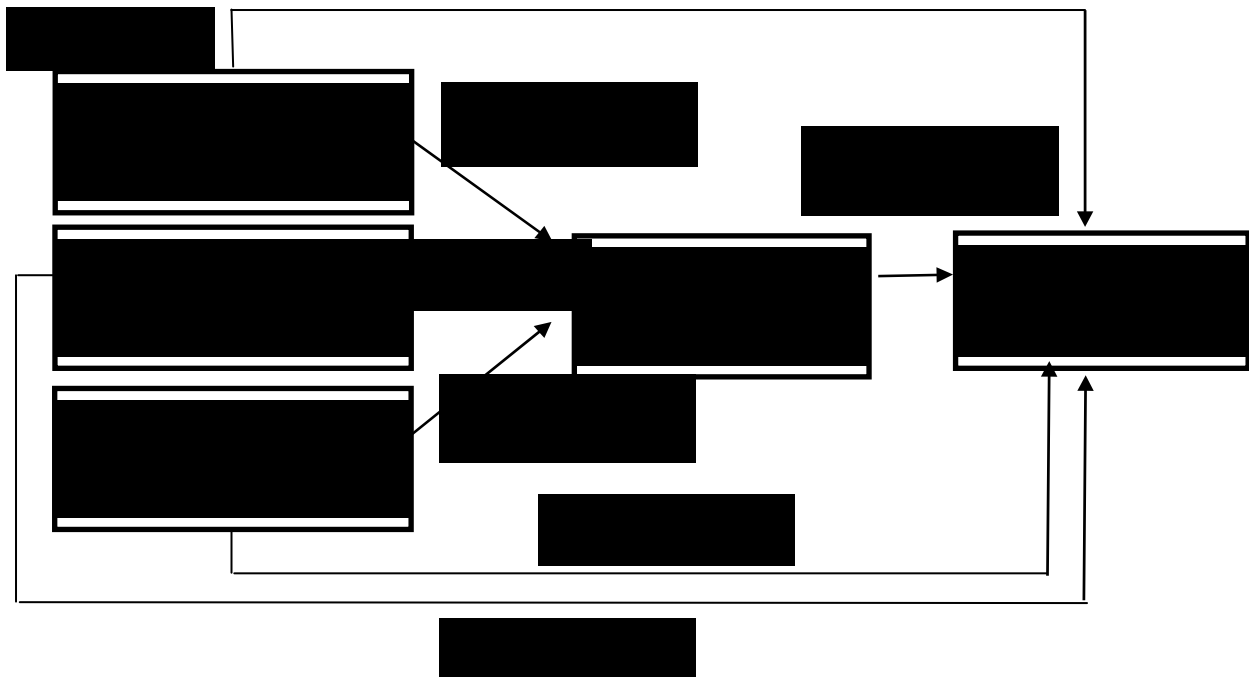


Figure 2: Trimming Theory Path Diagram

The results of trimming theory show that the product is the most dominant variable influence on buying interest through brand image mediation. According to buyers, product quality and the brand image reflected through manufacturing techniques are essential factors that are the primary consideration. Whereas, Location has the next most significant influence that influences prospective buyers to decide on their purchase. BIN outlets, which have ample parking areas, are very much considered by potential buyers to visit the outlets. On the other hand, promotion, which in the first lane analysis is negative but significant, in the second test after trimming, is positive and significant. Promotions that are more attractive to prospective buyers are product samples and the availability of detailed product information. Furthermore, the role of brand image mediation is sure to be significant for the effect of product, place, and promotion on buying interest based on the Sobel test.

Based on the test results explained in the previous sub-chapters, it is deemed necessary for the management of BIN Jember to carry out an update or increase the function of its promotional activities. BIN Jember should focus its promotional activities on promotional activities that are not related to price changes such as increasing the

provision of information services and providing more diverse product testers at BIN Jember outlets. This is because in addition to the insignificant influence of price changes on consumer buying interest, giving discounts at high frequencies or often potentially having a negative effect on the brand image of BIN Jember cigar products, this can ultimately result in a decrease in consumer buying interest. Therefore, this can be done to attract more attention to buying BIN Jember cigar consumers.

In particular, the new concept of promotional activities that can be offered from the results of this study carries the idea that "everybody is a marketer". This concept emphasizes the role of each BIN Jember personnel as a marketer in representing the quality of products offered by BIN Jember. Each person, in this case, means the first person encountered by the customer such as a parking attendant or cleaning officer who meets the customer, to the person handling the customer's final transaction such as a cashier. How to? Management of BIN Jember can carry concepts such as 3S (Smile, Greetings, Sapa) as the first thing that must be done by every personnel when passing or serving customers.

The concept of this promotion is primarily aimed at reviving a positive brand image in the minds of customers. The quality of BIN Jember cigar product is premium, that the price offered is in accordance with the quality of the product and service, and that no other brand is able to provide the same service convenience even though at the same price. Moreover, in this concept, each BIN Jember personnel has an equally important role in maintaining the brand image of BIN Jember products as premium goods. Every personnel, especially BIN Jember's vanguard personnel, who have not been portrayed as marketers since they are considered to have no direct relationship with customers, must fully understand this concept so that the objectives of this concept can be successful and touch customers' hearts.

5. Recommendations

Based on the conclusions and implications stated in the previous two sections, this study offers one suggestion to BIN Jember, namely in terms of promotional activities, BIN Jember should focus on promotional activities that are not related to price changes such as increasing the provision of information services and providing product testers. Which is more diverse at JIN BIN outlets. This is because in addition to the insignificant influence of price changes on consumer buying interest, giving discounts at high frequencies or often potentially having a negative effect on the brand image of BIN Jember cigar products, this can ultimately result in a decrease in consumer buying interest. Therefore, this can be done to attract more attention to buying BIN Jember cigar consumers. Of course, it is not only promotional activities but also must be improved and strengthened. The essence of this suggestion is that BIN Jember can integrate its marketing mix strategy so that its product brand image is stronger; thus, consumers' buying interest in BIN Jember cigarettes will also increase. The effective integration of the marketing mix strategy will touch the hearts of consumers.

6. Conclusion

This study offers the novelty and originality of the research, which lies in the mediating role of brand image variables between the marketing mix variables, namely product, price, place, and promotion of the buying interest of cigar consumers at BIN Jember outlets. The conclusion drawn in the previous section has the main implication that a positive and strong brand image is proven to have a significant positive impact on the relationship of the influence of marketing mix strategy on buying an interest in BIN Jember cigarettes.

In particular, the new concept of promotional activities that can be offered from the results of this study carries the idea that "everybody is a marketer". This concept emphasizes the role of each BIN Jember personnel as a marketer in representing the quality of products offered by BIN Jember. Each person, in this case, means the first person encountered by the customer such as a parking attendant or cleaning officer who meets the customer, to the person handling the customer's final transaction such as a cashier. Therefore, BIN Jember management can carry concepts such as 3S (Smile, Greetings, Sapa) as the first thing that must be done by every personnel when passing or serving customers. Thus, the marketing mix strategy of BIN Jember cigar products can be designed in such a way as to strengthen the brand image of BIN Jember cigar cigarettes in order to increase confidence in purchasing.

About the Author(s)



Agusta Jaka Purwana is a practitioner and entrepreneur in the field of agro-industry, one of which is tobacco. Aside from being one of the directors of the agro-industry company, he is also active as an academic who teaches entrepreneurship. The area of study is marketing that focuses on marketing agricultural products and its products.

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DOES BRAND IMAGE INFLUENCE THE PURCHASING DECISION PROCESS?

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