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## The Effect Analysis of Marketing Mix on Barbershop Service Selection Decisions by Customer at Next Premium Barbershop Abdullah Lubis Medan Branch

### Roy Firmansyah, Sugiharto Pujangkoro, Fadli

Master of Management, Universitas Sumatera Utara, Indonesia

Corresponding Author: Roy Firmansyah

#### **ABSTRACT**

Nowadays, appearance is equally important for both women and men, one of those is the hair appearance that the style continually follows the trends. Annually, the emergence of a barbershop in Medan City increases rapidly, leading to the rise of a lot of competitors, accounted for more than 30 barbershops arising until early 2019. The Abdullah Lubis branch has experienced a customer downward trend in the last 3 years, which shows that there are problems with the branch. Several factors affect the declining number of Next Premium Abdullah Lubis Medan customers including promotion, people, process, physical evidence, location, product, and price which are facilitated and provided by Next Premium Barbershop Medan. This study aims to determine: 1) the effect of promotion on barbershop service selection decisions, 2) the influence of people on barbershop service selection decisions, 3) the effect of the process on barbershop service selection decisions, 4) the effect of physical evidence on barbershop service selection decisions, 5) the influence location on barbershop service selection decisions, 6) product influence on barbershop service selection decisions, 7) price influence on barbershop service selection decisions. The study population in this is 11.495. Determination of sample size uses the Slovin formula, with error tolerance = 10%, so that a sample of 99 respondents is obtained. The method of data collection is conducted by the method of documentation, interviews, and distributing questionnaires to respondents. Data analysis techniques in this study used multiple linear regression analysis at the significance level = 0.1. The results of the t-test showed that only promotion, product, and price variables had

positive and significant influenceon barbershop service selection decisions. The F test showed that simultaneously promotion, people, process, physical evidence, location, product, and price variables had positive and effectson barbershop significant selection decisions. Therefore the company must implement a breakthrough or strategy in increasing promotion. Providing training to produce a low error rate for each services that create customer satisfaction.

**Keywords:** Promotion, People, Process, Physical Evidence, Location, Product, Price.

#### INTRODUCTION

Today's appearance is not only important for women but also for men, one of which is the appearance of hair with style (style) that continues to follow the latest trends or hairstyles, the quality of servicing services for men hair models today has grown with the increasing demand for services the barbershop business idea emerged as a barbershop with trained HR quality and customer convenience facilities.

The trend of barbershop is actually already known abroad such as in the Americas and Europe, because barbershop itself comes from the Latin "Barba" which means the beard that is owned by the majority of men, therefore the function of barbershop was originally only for the beginning trim beard and moustache. Barbershop used to provide small surgical services such as pulling teeth and also suck blood with leeches as an animal that is used as a medical animal, but today barbershop

only serves men grooming such as hair cut, hairtattoing, shaving, facials, creambath, coloring and others.

For the city of Medan itself, the barbershop that first appeared was the Next Premium Barbershop, which had started the barbershop business since 2010 and was the only one at that time with the concept of a comfortable barbershop and the quality of the shaver, or also called a kapster who had been specially trained, both basic cutting up to hair trends that are constantly updated are trained.

Every year the emergence of barbershop in the city of Medan continues to increase rapidly, leading to the emergence of many competitors, with more than 30 barbershops appearing until early 2019 with many branches and Next Premium Barbershop itself already has 12 branches spread across the city of Medan, Binjai and also Aek Kanopan.

Next Premium Barbershop has made branches in strategic locations such as on S. Parman Street, Johor Street, Abdullah Lubis Street, Dr.Mansyur Street, Cemara Street and even in several malls but only Dr.Mansyur Street Branch has the most stable productivity for Past 3 years.

Service prices offered by Next Premium Barbershop are not much different from competitors who generally have the same services as haircuts, hair washing, hair vitamins and hair styling using Pomade products but with declining productivity at Abdullah Lubis branch shows that consumers feel the price paid out of proportion to their expected service.

Opening a barbershop branch in another city is one of the activities carried out by Next Premium Barbershop to find other consumers because of the increasingly difficult competition in Medan such as in the city of Aek Kanopan. Next Premium Barbershop itself has quite competitive prices as in Table 1.2 with the same service.

Next Premium Barbershop's online marketing activities have been updated using websites and social media such as Instagram which already has more than 10,000 followers, but can be seen from the development of marketing on social media that is less satisfactory because on average each of their posts is just liked (like) no more than 100 people, even mostly only 60 people who show followers who are more than 10,000 people are less interested or no longer active.

Other problems experienced by Next Premium Barbershop Medan also on the release of the main kapsters (barbers) which actually became the main attraction of customers and prospective customers to come because they have tested the quality of these kapsters, the kapsters are out and move to several barbershops competitors who dare to pay them higher and many other benefits that make the captains decide to move.

### LITERATURE REVIEW

#### **Service Marketing Mix**

Marketing mix is a tool / tool for marketers consisting of various elements of a marketing program that needs to be considered so that the implementation of marketing strategies and the determination of the position set can run successfully (Lupiyoadi, 2018: 92).

The product marketing mix only covers 4P, namely product, price, location / place and promotion. The marketing adds three more elements namely human resources, process and physical evidence, these three things are related to the nature of services where the stages of operation are separated and the customer and provider are included services directly (Lupiyoadi, 2018: 92).

#### **Promotion**

Promotion is a way to communicate the goods and services that will be offered so that consumers know and buy. In accordance with the promotion function, which is to inform (to inform), persuade (to persuade), remind (to remind) and influence (to influence), then through the promotion of goods and services produced will be easily recognized by consumers. According

to Lupiyoadi (2018: 97), this promotion / marketing communication mix consists of the following things: Advertising, sales promotion, public relations, personal selling, information from the mouth word of mouth and direct marketing.

### **Human Resources (People)**

In the relationship of "people" with marketing services that function as service providers greatly affect the quality of services provided. In achieving the best quality, employees must be trained to realize the importance of their work, which is to provide satisfaction in meeting their needs that are closely related to internal marketing (internal marketing) (Lupiyoadi, 2018: 98).

According to Lovelock (2011: 48) People are individuals who have interpersonal skills and positive attitudes that interact directly with consumers. Each member or employee of the organization the optimal contribution forgets consumers carrying their in out commitments to the company.

#### **Process**

According to Lupiyoadi (2018: 98), the process is a combination of all activities, which generally consist of procedures, work schedules, mechanisms, and other routine things, where services are produced and delivered to consumers.

## Physical Environment (Physical Evidence)

According to Lupiyoadi (2018: 120), the physical environment is where services are created and where service providers and consumers interact, plus any tangible elements used to communicate or support the role of these services.

Layout refers to how a company organizes all objects in its service outlets, starting from the floor, doors, shape of furniture, and other machinery or equipment that needs to be present at the outlet. Functionality on the ability of existing machines and equipment to perform services, layout and functionality determine

the ease and ability of service facilities to serve consumers (Lupiyoadi, 2018: 125).

### **Location (Place)**

According to Lupiyoadi (2018: 96), location (related to the delivery system) in services is a combination of location and decision on distribution channels, and this relates to how the delivery of services to consumers and where the strategic location. Location and distribution channels to provide services to the target market are two key decision areas. Location and channel decisions include how to deliver services to consumers and where they are implemented. This has a huge connection because services cannot be stored and produced and consumed in the same place.

### **Product (Product)**

According to Lupiyoadi (2018: 92), a product is the whole concept of an object or process that gives a number of values to consumers and what needs to be considered in a product is that the consumer not only buys the physical product, but buys the benefits and value of the product called "the offer "Which is primarily from service products not known the emergence of ownership transfers from service providers to consumers.

## Price (Price)

According to Lupiyoadi (2018: 136), prices are the various benefits possessed by a service product that must be compared with the costs (sacrifices) incurred in consuming these services. These costs can be in the form of time that must be sacrificed to get services, physical effort (energy expended to get services), mental burdens (stress), and sacrifices related to the five senses (noise, heat, etc.).

### **RESEARCH METHODS**

This type of research is a type of research with causal quantitative methods, because this study is intended to conclude the correlation between the variables studied. Causal quantitative method is also a research whose nature can be counted in

number by statistical methods. Causal quantitative approach is a scientific approach to managerial and economic decision making that aims to obtain evidence of the causal relationship or influence of research variables (Sinulingga, 2017).

The population in this study are all customers who have used services at least once in the Next Premium Barbershop Abdullah Lubis branch in Medan during the study period. The population is based on the number of customers who use the services of the Next Premium Barbershop Medan branch in 2016-2018, namely 11,495 people. The sampling method used is a nonprobability sampling method, with the sampling technique in this study carried out through convenience sampling, which is a sampling method where the respondents are people who voluntarily offer themselves (conveniently available) for their respective reasons (Sinulingga, 2017). The sample in this study were customers who had used at least 1 service at the Next Premium Barbershop Abdullah Lubis branch in Medan. So by using the Slovin formula the number of samples in this study amounted to 99 people.

Data collection methods used in this study consisted of interviews (interviews) with Next Premium Barbershop Medan operational manager, Literature study which is a way to collect, study and analyze company information, research related journals, and the results of previous research as a reference in the completion of research and use a list of statements (Questionnaire) to customers who have used the service at least once in the Next Premium Barbershop Abdullah Lubis Branch in the form of a Likert scale.

### RESULT AND DISCUSSION

## **Influence of Promotion Against The Decision to Choose Barbershop Services**

Based on the results of the t test, it can be concluded that the independent variable Promotion (X1) partially has a positive and significant effect on the

decision to elect the Barbershop Services Abdullah Lubis branch in Medan. This can be seen from the respondent's answer with a statement about Promotion that scored 3.87 is the statement "I feel that the ads presented Next Premium Barbershop are informative". This shows that consumers can find out the complete information available at Next Premium Barbershop that convinces them to use their services because knowing this information makes consumers interested.

The results of this study are supported by previous research by Thongplean (2012) which states that Promotion has a positive and significant effect on the decision to choose Beauty Salon services in Thailand.

### **Influence of People Against Barbershop Service Selection Decisions**

Based on the results of the t test, it can be concluded that the independent variable People (X2) partially does not have a positive and significant effect on the decision to select the Barbershop Services Abdullah Lubis branch in Medan. Next Premium Barbershop is always good at communicating ". This shows that Kepster Next Premium Barbershop is always able to communicate and dialogue well with consumers but the expertise of Kepster is most needed and valued by consumers with maximum service results.

## **Influence of The Process Against The Decision to Choose Barbershop Services**

Based on the results of the t test, it can be concluded that the independent variable Process (X3) partially does not have a positive and significant effect on the decision to elect the Barbershop Services Abdullah Lubis branch in Medan. And from the respondent's answer with a statement about the Process that gets the highest score of 4.09 is the statement "I always feel satisfied during the professional haircut process at Next Premium Barbershop". This shows that all service activities carried out during the service process are running well

but not yet maximized by a service that is too fast so that consumers are less satisfied. The results of this study are supported by previous research by A. Radix Sumanto et al (2010) which states the process has no

positive and significant effect on the Purchase Decision of Teta Beauty Clinic Products in Surabaya.

The results of this study are supported by previous research by A. Radix Sumanto et al (2010) which states that the Process has no positive and significant effect on the Purchase Decision of Teta Beauty Clinic Products in Surabaya.

## The Effect of Physical Evidence on The Selection Decision of Barbershop Services

Based on the results of the t test, it can be concluded that the independent variable Physical Evidence (X4) partially does not have a positive and significant effect on the decision to select the Barbershop Services Abdullah Lubis branch in Medan. "All types of equipment for the needs of Kepster Next Premium Barbershop is always there." This shows that Next Premium Barbershop already has complete equipment, but it should be that Barbershop with a high enough price has complete supporting tools.

The results of this study are supported by previous research by Kusuma (2017). That Physical Evidence does not have a positive and significant effect on consumer decisions using the services of the Tugu Barbershop.

# The Effect of Place on The Decision of Choosing Barbershop Services

Based on the results of the t test, it can be concluded that the Place independent variable (X5) partially has no positive and significant effect on the decision to elect the Barbershop Services Abdullah Lubis branch in Medan. And from the respondent's answer with the statement about Place which gets the highest score of 4.25 is the statement "Next Premium Barbershop is very close to the city center". This shows that the Next Premium Barbershop

Abdullah Lubis branch is strategically located in the center of the city, but with the Next Premium Barbershop branch, which has more than 10 branches in the city of Medan, which makes consumers have many other options if they want to visit Next Premium Barbershop.

The results of this study were supported by previous research by Kusuma (2017). That the Placebo did not have a positive and significant effect on consumer decisions using the services of the Tugu Barbershop.

## The Effect of Product on The Decision to Choose Barbershop Services

Based on the results of the t test, it concluded that the Product independent variable (X6) partially has a positive and significant effect on the decision to choose the Barbershop Services of Abdullah Lubis branch in Medan. This can be seen from the respondent's answer with the statement about the product that gets a value of 4.21 is the statement "Next Premium Barbershop has many choices of services other than haircutting". This shows that with quite complete services offered by Next Premium Barbershop that not only cut but there are also creambath or hair coloring have consumers interested in coming to use other services besides haircutting.

The results of this study are supported by previous research by Thongplean (2012) which states that Product has a positive and significant effect on the decision to choose Beauty Salon services in Thailand.

## The Effect of Price on The Decision to Choose Barbershop Services

Based on the results of the t test, it can be concluded that the independent variable Price (X7) partially has a positive and significant effect on the decision to elect the Barbershop Services Abdullah Lubis branch in Medan. This can be seen from the respondent's answer with the statement about the Price which obtained a value of 4.06 is the statement "The price set

by Next Premium Barbershop is very reasonable". This shows that the price offered by Next Premium Barbershop is suitable or reasonable for consumers, because with the same service the price is not much different from other Barbershop in the city of Medan

The results of this study are supported by previous research by Thongplean (2012) which states that Price has a positive and significant effect on the decision to choose Beauty Salon services in Thailand.

## The Effect of Promotion, People, Process, Physical Evidence, Place, Product, and Price on Barbershop Service Selection Decisions

Based on simultaneous test results, variable Promotion (X1), People (X2), Process (X3), Physical Evidence (X4), Place (X5), Product (X6), and Price (X7) have positive and significant effect on Decision on Service Selection Barbershop (Y). The dominant variable influencing Barbershop Service Selection Decision is the Promotion variable (X1). This is because the promotion conducted by Next Premium Barbershop can attract more variable People, consumers than the Physical Process, Evidence, Location, Product, and Price.

The results of this study are supported by previous research by Thongplean (2012) which states Promotion (X1), People (X2), Process (X3), Physical Evidence (X4), Place (X5), Product (X6), and Price (X7) a positive and significant effect on the decision to choose Beauty Salon services in Thailand.

#### **Managerial Implications**

Based on the results of the study, it can be seen that the Promotion, Product, and Price variables have a positive and significant effect on the Service Selection Decision at Next Premium Barbershop.

The results of this study can be one of the sources of company information in planning breakthroughs or strategies to

improve Promotion, Product and Price better for Next Premium Barbershop Abdullah Lubis Branch.

In terms of Promotion, it is expected that Next Premium Barbershop will create even more interesting content on social media, especially Instagram. Create a special team in managing social media and websites to display photos of interesting barbershop activities and provide complete information and regularly upload photos on social media so that the promotion runs smoothly and interested consumers.

Promotion of social media can also use endorsement services by using the services of celebrity artists to promote it and also work together or collaborate with creative companies that have a large following on social media which is certainly the type of business suitable for collaboration.

In terms of Product, it is expected that Next Premium Barbershop will improve the quality of each of the services offered. It can provide training to improve the standards of companies that continue to compete with other barbershops, because training results in low error rates for each service delivery. an error occurs because it cannot be returned hair that has been cut and consumers become dissatisfied.

In terms of Price, it is expected that Next Premium Barbershop will always try to balance good quality with the prices they currently offer. Consumers will always feel the price is right if they receive service results that are commensurate with what they pay, especially the price offered is in the medium category for all barbershops in the city of Medan.

#### **CONCLUSION AND SUGGESTION**

#### Conclusion

Based on the results of research and discussion that has been done in this study, the researchers draw the following conclusions:

1. Promotion has a positive and significant effect on the Barbershop Service Selection Decision.

- 2. People do not have a positive and significant effect on the Barbershop Service Selection Decision.
- 3. The process does not have a positive and significant effect on the Barbershop Service Selection Decision.
- 4. Physical Evidence does not have a positive and significant effect on the Barbershop Service Selection Decision.
- 5. Place has no positive and significant effect on the Barbershop Service Selection Decision.
- 6. Product has a positive and significant effect on the Barbershop Service Selection Decision
- 7. Price has a positive and significant effect on the Barbershop Service Selection Decision.
- 8. Promotion, people, process, physical evidence, location / place, product and price have a positive and significant impact on consumer decisions in the selection of the Next Premium Barbershop branch of Abdullah Lubis Medan.

### **Suggestion**

Based on the results and discussion, there are a number of suggestions that can be made delivered:

### 1. For Companies

It is expected to increase promotion by creating a special marketing team in managing social media creativity ideas and display more interesting, websites to informative and different photos. Collaborating with creative companies will also be able to increase marketing to reach potential new customers such as quizzes and discounts that will make potential new customers know about our social media and visit it. Providing training to improve the standards of companies that continue to compete with other barbershops, because training produces low error rates for each service delivery. With a categorized price compared to all barbershops in Medan, a service obligation must satisfy consumers to come back.

### 2. For Further Researchers

It is expected to be a reference and continue to develop this research. This research uses Promotion, people, process, physical evidence, location / place, product and price as the independent variable and the decision to select services or purchases as the dependent variable. For further researchers, it can replace the variables in this study with other variables in order to find new variables in the discussion of Purchasing Decisions

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