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Article

# Assessing the Effect of Marketing Mix and Online Reviews on Batik Tulis Consumer Purchase Decisions: Case Study in Semboro Village

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**Abstract:** This study investigates the influence of the marketing mix and Electronic Word of Mouth (E-WOM) on consumer purchasing decisions in the Batik Tulis business of BUMDes Amartha, Semboro Village. The increasing business competition in the modern era necessitates effective marketing strategies to enhance purchasing decisions, a critical aspect of consumer behavior. Using a quantitative approach, data were gathered through questionnaires from 105 respondents and analyzed using multiple linear regression. The findings indicate that price, place, and E-WOM significantly impact purchasing decisions, while product and promotion do not. These results emphasize the need for competitive pricing, strategic location, and active management of online reviews to improve consumer trust and sales performance. The study provides practical insights for businesses and policymakers aiming to strengthen local product marketing strategies in rural areas.

Keywords: Marketing Mix, Electronic Word Of Mouth and Purchase Decision, BUMDES

## 1. Introduction

In the fast-evolving global economy, businesses face increasing competition, pushing them to adopt inno-vative strategies to survive and thrive. This heightened competition is particularly noticeable in rural and small-scale businesses, which are often impacted by limited resources and access to larger markets. Con-sumer behavior plays a pivotal role in shaping business success, particularly in the context of purchasing decisions. Purchasing decisions are a complex process that involves a range of activities, including search-ing, researching, and evaluating products or services. Kotler and Armstrong (2014) define purchasing decisions as the final stage where a consumer decides to purchase a product after evaluating their options. In recent years, the importance of understanding the factors influencing consumer purchasing decisions has grown, especially in local businesses in Indonesia.

This is particularly true for Village-Owned Enterprises (BUMDes), a unique institution established by the Indonesian government to promote economic growth in rural areas (Afroh et al, 2022). BUMDes are legal entities created to manage and utilize village assets for the welfare of the local community (Wijayantini & Safitri, 2022). One such BUMDes is Amartha, located in Semboro Village, East Java, which was founded in October 2020. Milenia et al, (2023) state The goal of BUMDes Amartha is to utilize local resources and create business opportunities that will improve the wel-fare of Semboro's residents, specifically through products such as Batik Tulis, traditional handwritten ba-tik.

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Batik Tulis is a key cultural product of Semboro Village, and it has the potential to become a significant economic driver. However, sales have been fluctuating, with certain months seeing no sales at all. Market-ing challenges such as the high price of batik and limited promotion channels have contributed to this in-stability. While personal selling methods, such as direct visits and social media platforms like WhatsApp and Facebook, have been used for promotion, the reach has been limited, particularly outside the local community. Additionally, Batik Tulis sales remain low, partly due to the perception that the products are expensive and not widely recognized outside of the local area.

In response to these challenges, this study aims to assess the influence of the marketing mix and online reviews (electronic word of mouth, or E-WOM) on consumer purchasing decisions in the Batik Tulis busi-ness in BUMDes Amartha. The marketing mix—comprising product, price, place, and promotion—has long been recognized as a foundational model for influencing consumer behavior. In addition, the rise of social media and online platforms has brought E-WOM into the spotlight as a crucial element affecting consumer decisions (Ghufron et al. 2022). Online reviews and recommendations can significantly shape a potential buyer's perception and willingness to purchase.

This study uses quantitative research methods to examine how these two factors—marketing mix and E-WOM—impact purchasing decisions. Primary data was gathered from 105 consumers, and multiple linear regression analysis was employed to determine the strength and significance of these influences. The re-sults of this research will provide valuable insights into how businesses in rural areas like Semboro Village can leverage marketing strategies and online reviews to boost sales and improve consumer engagement. The findings of this study will be crucial not only for businesses in Semboro but also for similar rural en-terprises looking to expand their reach and improve their market position in today's competitive business environment.

#### 2. Materials and Methods

This type of research uses quantitative research and research data is primary data obtained from consum-ers and secondary data obtained from previous research. Meanwhile, the research tool used is multiple linear regression analysis so that it can be seen how much influence Marketing Mix and E-WOM have on purchasing decisions. The population in this research are customers from the Batik Tulis business. The sampling technique used was accidental sampling. According to . This study used 21 indicators, so using estimates based on the number of indicators, the sample size was around 105-200 people. The number of respondents obtained was 105 respondents. Data obtained through distributing questionnaires was pro-cessed with the help of the SPSS application.

### 3. Results and Discussion

The research results show that both variables have a significant influence on purchasing decisions, with data analysis using the SPSS application with descriptive statistical data analysis techniques and classical assumption tests. The classic assumption test is a test carried out before further analysis of the collected data is carried out. The classical assumption test consists of the multicollinearity test, heteroscedasticity test, and normality test whose results meet the classical assumptions. The t test then shows how far the influence of the independent variables individually is in explaining the dependent variable. The following are the results of the t test and multiple linear regression obtained from the results of data analysis:

Table 1. The results of the Multiple Linear Analysis test

	Unstandardized Coefficients		Standardized Coefficients		
Model	В	Std. Error	Beta	t	Sig.
(Constant)	1.551	1.909		.813	.418
Product	.038	.106	.033	.358	.721
Price	.286	.108	.231	2.635	.010
Promotion	.034	.126	.025	.269	.788
Place	.367	.106	.316	3.465	.001
Electronic Word of Mouth	.377	.101	.314	3.736	.000

The table abaove displays the regression coefficients for the five independent variables (product, price, promotion, place, and electronic word of mouth/eWOM), and their significance in predicting the dependent variable—consumer purchase decisions. Product: The product variable has a very small coefficient (B = 0.038) and a high p-value (0.721), suggesting that it does not significantly influence purchasing decisions. This could imply that in this case, consumers might not prioritize the characteristics of Batik Tulis as much as other factors (Mou & Liu, 2022). Price: The price variable shows a positive and significant coefficient (B = 0.286, p = 0.010), indicating that price is an important factor in consumer decision-making. This aligns with general consumer behavior theories which suggest that price sensitivity can strongly influence purchasing behavior, especially in rural markets (Liu et al., 2020).

Promotion: The promotion variable has a small and non-significant coefficient (B = 0.034, p = 0.788), indicating that promotional activities such as discounts or advertising do not have a substantial effect on purchasing decisions in this context. This could suggest that traditional promotional strategies are not as effective in reaching the target consumers (Nguyen et al., 2018). Place: The place variable has a strong positive and statistically significant coefficient (B = 0.367, p = 0.001), highlighting the importance of accessibility in influencing purchase decisions. For consumers in rural areas like Semboro, easy access to Batik Tulis through local stores or online platforms plays a crucial role (Zhang et al., 2021). Electronic Word of Mouth (eWOM): eWOM has the strongest influence on purchasing decisions (B = 0.377, p = 0.000), reinforcing the growing importance of online reviews and social media in shaping consumer perceptions. Positive feedback from other consumers, especially in rural areas where word-of-mouth is crucial, significantly affects purchasing decisions (Cheung et al., 2009).

Model Summary <sup>b</sup>							
			Adjusted R	Std. Error of the			
Model	R	R Square	Square	Estimate			
1	.682ª	.465	.438	1.58222			

a. Predictors: (Constant), *Electronic Word of Mouth, Product, Price,*Place, Promotion

b. Dependent Variable: Keputusan Pembelian

The coefficient of determination (R<sup>2</sup>) in Table 2 is 0.465, meaning that about 46.5% of the variation in pur-chasing decisions can be explained by the combination of the five independent variables (product, price, promotion, place, and eWOM). This suggests that while these factors are important, other variables not in-cluded in the model may also be

influencing consumer purchasing behavior. The adjusted R<sup>2</sup> of 0.438 ac-counts for the number of predictors in the model, further confirming that while the factors analyzed are sig-nificant, they do not fully explain all of the purchasing decision dynamics (Keller, 2020).

#### 4. Conclusion

This study highlights the complex interplay of factors that influence consumer purchasing decisions, espe-cially in rural contexts. Price, place, and eWOM emerged as key drivers, while product and promotion were less significant in this particular case. For businesses like BUMDes Amartha, focusing on competitive pricing, improving accessibility, and leveraging positive eWOM can be crucial strategies for increasing sales and improving consumer trust.

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