Influence of Internal Marketing on Marketing Performance with Branding Strategy in PT. Jayaland Sidoarjo

1 Fabian Farandori, 2 Muhadjir Anwar

1,2 Departement of Master Management, Faculty of Economics and Business, University of Pembangunan Nasional “Veteran” Jawa Timur

E-mail: cewcivil@yahoo.co.id, Corresponding Author: muhadjira.ma@upnjatim.ac.id

ABSTRACT

Purpose: PT. JAYALAND is a developer of the Puri Surya Jaya Gedangan Housing in Sidoarjo. Observing this business opportunity, the company has the opportunity to attract consumers’ interest in purchasing housing products that have been built in the city of Sidoarjo. PT. Jayaland must understand the importance of marketing expenses and manage them to provide sustainable benefits for the company. The purposes of this study are 1) to find out and empirically test the influence of Internal Marketing on Marketing Performance at Puri Surya Jaya Housing PT. Jayaland Sidoarjo; 2) to find out and empirically test the impact of Internal Marketing on Marketing Performance with Branding Strategy as a moderating variable at Puri Surya Jaya Housing PT. Jayaland Sidoarjo.

Design/methodology/approach: In this study, the sampling technique used a census where the sample members obtained were about 41 employees of the Puri Surya Jaya Housing Marketing Division PT. Jayaland Sidoarjo. The data analysis technique in this study used the Partial Least Square (PLS) method.

Findings: This study concludes that Internal Marketing has a significant positive effect on marketing performance, and Branding Strategy as Moderating Variable has no impact on Marketing Performance.

Paper type: Research paper

Keyword: Internal Marketing, Marketing Performance, Branding Strategy.

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I. Introduction

With the increasing need for housing and population growth, fulfilling the demand for housing or owning your own house is a very coveted need. The development of the real estate industry leads to dynamic conditions and moves along with basic human needs. This is also caused by the increasing primary needs of the community to own a house by what they want. With more and more developers building and marketing houses in residential locations, with all kinds of attributes offered, consumers have more choices before deciding to buy. These preferences may include different housing locations, different types and designs of buildings, variations in payment methods, and so on. These choices are expected to match consumer needs and desires with consumers’ ability to buy. The developer’s offer is accompanied by various factors (attributes) applied; consumers use it as a tool for product purchasing decisions. With the number of companies engaged in the housing sector, the company must understand consumer attitudes. Do not let the various kinds of complaints harm the company. To determine whether the company’s products have met consumer expectations, developers need to know how consumers’ attitudes towards the housing attributes are. Market competition in the world of home property is increasing day by day, bringing great opportunities for property developers or housing developers to launch their businesses.

PT. Jayaland is the developer of the Puri Surya Jaya Gedangan Housing in Sidoarjo. Observing this business opportunity, the company has the opportunity to attract consumers’ interest in purchasing housing products that have been built in the city of Sidoarjo. The company does this by considering various factors that influence consumer decisions in buying houses, including offering housing products in strategic locations,
attractive designs, and competitive prices. The different housing concepts presented by Puri Surya Jaya do not necessarily make prospective consumers choose to buy a house in Puri Surya Jaya housing.

For developers, apart from analyzing the market to come up with the best strategy in this situation, developers will generally only focus on marketing existing products and delaying the launch of new products as the safest anticipatory step. Even with the proper analysis, you can still launch a product despite the current situation. To maintain the company's performance with a focus on developing existing projects. As for the development segment, our focus is on developing housing projects for the lower-middle detail whose piece is still substantial. The focus is on products above Rp. 1 billion and sales of inventory units, especially for the end-user segment. In addition to development strategies, developers must also adapt to marketing methods. When marketing offline, such as exhibitions, Opening a show unit, or a tiny spot in a mall or crowd center, several developers, have also shifted their marketing budget to online or virtual things. Among them are online media, social media, google ads, Whatsapp/SMS Blast, television, discounts, payment methods, bonuses or gifts, property reviews, and virtual tours.

Based on the phenomenon of development and competition in the property world, internal marketing and branding strategies significantly affect marketing performance in realizing the company's vision and mission, such as sales growth, market growth, and financial growth. The factors that make researchers interested in trying to do further research on the phenomenon of the attributes of housing, housing finance, and housing developers in a research proposal with the title "Influence of Internal Marketing on Marketing Performance With Branding Strategy as Moderating Variables in Puri Surya Housing Jaya PT. Jayaland Sidoarjo."

II. LITERATURE REVIEW

A. Marketing

Marketing is a series of analysis processes, planning, implementation, supervision, and control of a marketing activity where the goal is to effectively and efficiently achieve company targets. Marketing is one of the critical factors in advancing a company engaged in goods and services.

According to Kotler and Keller in Sherly and Hartono (2016: 7), marketing is an activity that regulates an institution and a process that can create, communicate, deliver, and exchange offers that have value for customers and society in general. Marketing is a social process by which individuals and groups obtain what they want and need through offerings. They are free to exchange products and services.

B. Internal Marketing

Internal Marketing (IM) was initially proposed as an approach for management to inculcate traditional marketing concepts and the marketing mix in all employees as the spearhead in the organization to increase company effectiveness by improving internal market relations. The internal market (internal market), according to Gronroos in Tjiptono (2015:4), is a motivated employee and customer-oriented performance. Therefore, to carry out internal marketing activities properly, it is necessary to have employees who have a good mentality and are motivated as a condition of success.

C. Marketing Performance

Marketing performance is seen as the company's ability to generate profits related to its maximum sales effort in the context of the overall marketing of a particular marketing period. According to Supranoto in Merakati, et al. (2017: 120), marketing performance is a measure of achievement obtained from the overall marketing process activities of the company or organization.

Marketing performance is a concept to measure the market performance of a product. Every company has an interest in knowing the market achievements of its products. The success of marketing performance is reflected in the success of its business in the world of business competition. Besides, the success of marketing performance can also be seen from the success of new products, which shows that the company's performance is getting better.

D. Branding Strategy

Knapp in Wijaya (2018:21) suggests brand strategy based on what he has researched. The brand strategy doctrine is a comprehensive plan of action used by an organization to define its essence, create a brand paradigm and gain a sustainable competitive advantage.Branding strategy is a way or steps to create high value for a brand formed either within the company or in society.
E. Hypothesis

Based on the theoretical basis and conceptual framework of the research, the hypotheses of this research and as shown in Figure 1.

1. Internal Marketing has a positive effect on Marketing Performance at Puri Surya Jaya Housing PT. Jayaland Sidoarjo.
2. Internal Marketing positively affects Marketing Performance with Branding Strategy as a moderating variable at Puri Surya Jaya Housing PT. Jayaland Sidoarjo.

Figure 1. Research Conceptual Framework

III. METHOD

This type of research is quantitative research, namely research that analyzes data quantitatively/statistically to test the established hypothesis and then interprets the analysis results to obtain conclusions. This study wants to know the influence of Internal Marketing on Marketing Performance with Branding Strategy as a moderating variable at Puri Surya Jaya Housing PT. Jayaland Sidoarjo. At the same time, the design of this quantitative research is to survey the internal marketing of PT. Jayaland Sidoarjo to be able to answer the formulation of the problem that has been prepared.

The population in this study were employees of the Puri Surya Jaya Housing Marketing Division, PT. Jayaland Sidoarjo approximately 41 people. In this study, the sampling technique used a census where the population members obtained were around 41 employees of the Puri Surya Jaya Housing Marketing Division PT. Jayaland Sidoarjo.

The data analysis technique in this study uses Partial Least Square (PLS) with the help of Smart PLS 2.0 M3 software. PLS is a method for constructing predictable models when there are too many factors. PLS is also a factor indeterminacy of a powerful analytical approach because it does not assume that the data must be measured at a particular scale. The number of samples is small, as shown in Tabel 1.

Table 1. Indicators of Research Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent variable or independent variable</td>
<td></td>
</tr>
<tr>
<td>Internal Marketing Activities (X)</td>
<td>1. Product</td>
</tr>
<tr>
<td></td>
<td>2. Communication (Promotion)</td>
</tr>
<tr>
<td></td>
<td>3. Distribution (Handover)</td>
</tr>
</tbody>
</table>

| Dependent variable or dependent variable | |
|--------------------------------------| |
Marketing Performance (Y) 1. Sales Growth  
2. Market Growth  
3. Profit Growth  
Ferdinand, in Wijaya (2018:21)  

Moderating variable or moderating variable  
Branding Strategy (Z) 1. Brand Knowledge (Repositioning)  
2. Perceived Quality  
Product  
3. Innovative (Innovativeness)  
4. Brand Concept Consistency (Brand Concept Consistent)  
Keller in Sherly and Hartono (2016:10)  

Source: Processed Data  

The need for operational definitions of variables in this research is to provide limitations on the discussion of the problem by stating the meaning of each variable as follows: Internal Marketing (X) here can be interpreted as service employees to be more willing and able to offer high quality services to external consumers (Tsai and Tang in Qiu, et al 2021: 18). Marketing Performance (Y) is a concept used to measure the extent to which market achievements have been achieved by a product produced by the company. As for marketing performance, Ferdinand in Wirawan (2017: 59) divides into 3 (three) indicators in measuring marketing performance consisting of: 1) Sales volume, namely sales results or products sold, 2) Company customer growth, namely increasing the number of customers, 3) Profitability, namely the amount of profit obtained by the company.  

Branding Strategy (Z) Knapp in Wijaya (2018:21) suggests brand strategy based on what he has researched. The brand strategy doctrine is a comprehensive plan of action used by an organization to define its essence, create a brand paradigm and gain a sustainable competitive advantage.  

IV. RESULTS AND DISCUSSION  

From the method described above, in this subsection the process for obtaining the results of this study will be explained.  
A. Outer Model (Measurements Model)  
A research concept and model cannot be tested in a relational and causal relationship prediction model if it has not passed the verification stage in the measurement model. The measurement model itself is used to test the construct validity and instrument reliability. The validity test was conducted to determine the ability of the research instrument to measure what it should measure (Cooper et al., 2006:430). While the reliability test is used to measure the consistency of measuring instruments in measuring a concept or can also be used to measure the consistency of respondents in answering questions in questionnaires or research instruments.  

The construct validity test in general can be measured by the loading score parameter in the research model (Rule of Thumbs > 0.7) and using the AVE parameter. The AVE score must be > 0.5. If the loading score is < 0.5, this indicator can be removed from the construct because this indicator is not loaded into the construct that represents it.  

The convergent validity test parameter seen from the AVE score must be above 0.5. This means that the probability of indicators of a construct entering another variable is lower (less 0.5) so that the probability of the indicator converges and enters the construct in question is greater, which is above 50 percent.  

For the discriminant validity test, the parameter measured is by comparing the roots of the AVE of a construct that must be higher than the correlation between the latent variables, or by looking at the cross loading score. In the loading score table, it can be seen that each indicator in a construct will be different from the indicators in other constructs and accumulate in the construct in question. The indicator relationship model with the dimensions of the Internal Marketing, Branding Strategy and Marketing Performance variables is a reflective form, so the way to assess the measurement model is to look at the factor loading value in the outer loading table. Validity test results can be seen in Tabel 2.
Table 2. Outer Loading (Factor Loading)

<table>
<thead>
<tr>
<th>Internal Marketing</th>
<th>Branding Strategy</th>
<th>Performance Marketing</th>
<th>Type</th>
<th>SE</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1 0.868</td>
<td>-0.042</td>
<td>-0.209</td>
<td>Reflect</td>
<td>0.108</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>X2 0.898</td>
<td>0.041</td>
<td>0.008</td>
<td>Reflect</td>
<td>0.107</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>X3 0.833</td>
<td>0.000</td>
<td>0.278</td>
<td>Reflect</td>
<td>0.11</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z1 0.397</td>
<td>0.876</td>
<td>0.088</td>
<td>Reflect</td>
<td>0.108</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z2 -0.147</td>
<td>0.860</td>
<td>0.009</td>
<td>Reflect</td>
<td>0.108</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z3 -0.124</td>
<td>0.752</td>
<td>-0.085</td>
<td>Reflect</td>
<td>0.113</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z4 -0.157</td>
<td>0.817</td>
<td>-0.006</td>
<td>Reflect</td>
<td>0.11</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Y1 0.155</td>
<td>0.184</td>
<td>0.726</td>
<td>Reflect</td>
<td>0.115</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Y2 0.049</td>
<td>-0.219</td>
<td>0.051</td>
<td>Reflect</td>
<td>0.109</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Y3 -0.243</td>
<td>0.082</td>
<td>0.637</td>
<td>Reflect</td>
<td>0.119</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z1*X1 -0.636</td>
<td>0.386</td>
<td>-0.076</td>
<td>Reflect</td>
<td>0.115</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z1*X2 -0.588</td>
<td>0.493</td>
<td>-0.241</td>
<td>Reflect</td>
<td>0.114</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z1*X3 -1.024</td>
<td>0.763</td>
<td>0.022</td>
<td>Reflect</td>
<td>0.121</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z2*X1 0.113</td>
<td>-0.167</td>
<td>0.047</td>
<td>Reflect</td>
<td>0.112</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z2*X2 0.161</td>
<td>-0.104</td>
<td>-0.044</td>
<td>Reflect</td>
<td>0.11</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z2*X3 -0.251</td>
<td>0.213</td>
<td>0.051</td>
<td>Reflect</td>
<td>0.116</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z3*X1 0.704</td>
<td>-0.496</td>
<td>0.302</td>
<td>Reflect</td>
<td>0.13</td>
<td>0.001</td>
</tr>
<tr>
<td>Z3*X2 0.895</td>
<td>-0.571</td>
<td>-0.189</td>
<td>Reflect</td>
<td>0.126</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z3*X3 0.179</td>
<td>0.187</td>
<td>-0.024</td>
<td>Reflect</td>
<td>0.145</td>
<td>0.012</td>
</tr>
<tr>
<td>Z4*X1 0.452</td>
<td>-0.518</td>
<td>0.149</td>
<td>Reflect</td>
<td>0.119</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z4*X2 0.404</td>
<td>-0.263</td>
<td>-0.035</td>
<td>Reflect</td>
<td>0.112</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Z4*X3 0.019</td>
<td>0.067</td>
<td>0.106</td>
<td>Reflect</td>
<td>0.126</td>
<td>&lt;0.001</td>
</tr>
</tbody>
</table>

As seen in Table 2, it can be explained as follows, Loading Factor is a correlation between indicators and variables. Suppose it is greater than 0.5 and or p-values = significant. In that case, the hand is valid and is an indicator/measurer of the variable.

Based on the outer loading table above, the Loading Factor (eg for indicators on the Internal Marketing variable, X1 = 0.868; X2 = 0.898; X3 = 0.833 > 0.5 then meets convergent validity. The results of the analysis in the table above show that all indicators on research variables, namely Internal Marketing, Branding Strategy, and Marketing Performance variables, have a loading factor > 0.5, then these indicators meet convergent validity.

Based on the outer loading table above, the significance value (p-value) on Factor Loading for the indicator on the Internal Marketing variable for indicator X1 = <0.001; X2 = <0.001; X3 = <0.001, smaller than 0.05, then it meets convergent validity. The analysis results show that all indicators on the research variables, namely Internal Marketing, Branding Strategy, and Marketing Performance, are significant because the p-value < 0.001 means that the indicator meets convergent validity, as shown in Table 3.

If the AVE root is greater than the correlation of the variables, then discriminant validity is fulfilled. For example, the Internal Marketing variable with three indicators (X1 to X3) has the root AVE = 0.867, which is greater than the correlation value with other variables 0.667; 0.500; -0.207; as well as for other variables so that the Internal Marketing variable is met with discriminant validity. Overall, it shows that all research variables, namely Internal Marketing, Branding Strategy, and Marketing Performance, have the AVE square root value more significant than the correlation value with other variables, so discriminant validity is fulfilled.

Table 3. Correlations Variables
B. Inner Model (Structural Model)

The structural model in PLS is evaluated using R² (R-Square) for the dependent construct, path coefficient values or t-values for each path to test the significance between constructs in the structural model. The value of R² is used to measure the level of variation of changes in the independent variable to the dependent variable, the higher the value of R² means the better the prediction model of the proposed research model. R² is not an absolute parameter in measuring the accuracy of the prediction model because the basis of the theoretical relationship is the most important parameter to explain the causality relationship. The value of the path coefficient or inner model shows the level of significance in hypothesis testing. The path coefficient score or the inner model shown by the p-value ≤ 0.05 indicates that the formulated hypothesis is accepted, thus the effect of exogenous variables (independent/independent variables) has a significant effect on endogenous variables (dependent variable).

Testing of the structural model is carried out by looking at the R² value which is the goodness-fit test of the model. The inner model test can be seen from the R² value in the equations between latent variables. The value of R² explains how much the exogenous (independent/independent) variable in the model is able to explain the endogenous (dependent/bound) variable. The results of the R² (R-square) test in this study can be seen in Table 4.

Table 4. R² (R-square)

<table>
<thead>
<tr>
<th>Source of Determination</th>
<th>R²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Marketing</td>
<td>0.313</td>
</tr>
<tr>
<td>Strategi Branding</td>
<td></td>
</tr>
<tr>
<td>Kinerja Pemasaran</td>
<td>0.313</td>
</tr>
<tr>
<td>Moderasi</td>
<td></td>
</tr>
</tbody>
</table>

Coefficient of Determination (R²) = 0.313 This can be interpreted that the model can explain the phenomenon/problem of Marketing Performance by 31.30%. At the same time, the rest (68.70%) is defined by other variables (other than Internal Marketing, Branding Strategy) that have not been included in the model and errors. This means that Internal Marketing, Branding Strategy influence marketing Performance by 31.30%. In comparison, 68.70% is influenced by variables other than Internal Marketing and Branding Strategy, as shown in Figure 2 and Table 5.

Figure 2. Structural Model Test Results
Table 5. Inner Weight

<table>
<thead>
<tr>
<th></th>
<th>Path Coefficients</th>
<th>Standard Error for Path Coefficients</th>
<th>P-Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Marketing -&gt; Kinerja pemasaran</td>
<td>0.560</td>
<td>0.123</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Moderasi (Int Marketing*Stat Branding) -&gt; Kinerja Pemasaran</td>
<td>-0.022</td>
<td>0.007</td>
<td>0.443</td>
</tr>
</tbody>
</table>

Based on the results of the inner weight test in Table 5. above, it can be concluded that: Internal Marketing has a significant positive effect on marketing performance with a path coefficient of 0.560 where the p-values = <0.001 is smaller than the value of = 0.05 (5%). Branding Strategy as a Moderating Variable has no effect on Marketing Performance with a path coefficient of -0.022 where the p-values = 0.443 is greater than 0.05.

C. The Influence of Internal Marketing on Marketing Performance

The results of the study indicate that Internal Marketing Activities have a significant positive effect on Marketing Performance. The hypothesis which states that Internal Marketing Activities have a positive impact on Marketing Performance is accepted. This can be interpreted that Internal Marketing Activities with quality indicators, good Communication (Promotion), and Timely Distribution by the company's procedure mechanism will further improve Marketing Performance with indicators of Sales Growth, Market Growth, and Profit Growth.

D. The Influence of Internal Marketing on Marketing Performance with Branding Strategy as Moderating Variable

The results showed that Branding Strategy as a moderating variable did not affect Marketing Performance. This can be interpreted that the Branding Strategy carried out by the Marketing Division is not able to influence the Internal Marketing activities on the Marketing Performance of PT. Jayaland. This means that without knowing the Branding Strategy carried out by the Marketing Division of PT. Jayaland already knows the reputation of PT. Jayaland is a trusted housing developer or developer regarding the quality and excellence of the housing products offered.

As a well-known developer, PT, Jayaland can build trust in consumers by fulfilling all promises given according to company procedures. PT. Jayaland's reputation as a housing developer in Puri Surya Jaya affects increasing word of mouth to other consumers, thus encouraging other consumers to decide to buy a house. Thus PT. Jayaland, with its product Puri Surya Jaya, proves to be a trusted housing developer.

V. CONCLUSIONS

Conclusions that can be drawn based on the results of the tests of the hypotheses that have been proposed previously include the following, Internal Marketing Activities The Marketing Division of PT. Jayaland can make a real contribution to the Marketing Performance of Puri Surya Jaya housing in Sidoarjo. This activity can increase the sales volume of housing units offered by PT. Jayaland in various types to provide benefits for the company and expand market share into developing the company.

The Branding Strategy has not been able to contribute as an intermediary factor to the ability of Internal Marketing Activities to improve the Marketing Performance of Puri Surya Jaya housing because consumers already know PT. Jayaland's reputation as a trusted housing developer or developer and consumers already know and feel the quality or superiority of housing products. offered by PT. Jayaland.

The results of research and discussion in previous chapters can be put forward suggestions and contributions of thoughts as input for the Marketing Division of PT. Jayaland must continue to carry out varied and competitive marketing strategies to remain competitive in the property business world, including: Increase the ability and knowledge of Marketing Division employees regarding details/partial housing products marketed. So that in the future employees will be more competitive in delivering housing products in as much detail as possible which can increase sales., Analyze and pay attention to continue to develop the market to
increase consumer growth periodically in the future in line with the number of housing products marketed, Conduct Brand knowledge (Repositioning) to consumers who present the advantages of quality housing products and differentiate them from competitors, Carry out continuous monitoring and evaluation in implementing its marketing programs to be carried out systematically and run more effectively and efficiently.

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