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# Marketing Mix and Purchase Intention of Pre-Retirement Credit Among Civil Servants (A Case Study at Bank Sumut Medan Coordinator Branch)

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## Abstract

*This research explores the effects of the seven marketing mix components—Product, Price, Place, Promotion, People, Process, and Physical Evidence—on the purchasing interest of civil servants (ASN) in pre-retirement credit offerings at Bank Sumut's Medan Coordinator Branch. Adopting a quantitative methodology, data from 97 participants were gathered via standardized surveys and evaluated through Partial Least Squares Structural Equation Modeling (PLS-SEM) to verify the model's reliability and validity. The findings demonstrate that Product, Price, Promotion, People, and Physical Evidence have a meaningful and positive impact on purchase intention, whereas Place and Process lack any notable influence, possibly owing to participants' established comfort with prevailing payroll-linked procedures. The study contributes theoretically by reinforcing the applicability of the 7P marketing framework in financial services. Practically, it suggests that Bank Sumut should focus on enhancing product suitability, maintaining competitive interest rates, and improving service professionalism. Moreover, promotional strategies should shift from hard-selling to educational and participatory formats, such as financial literacy programs tailored to ASN approaching retirement. These strategic actions are expected to increase customer engagement and boost the adoption of pre-retirement credit products.*

*Keywords: Civil Servants; Marketing Mix; Pre-Retirement Credit; Purchase Intention; Banking*

## 1. Introduction

Bank Sumut is a regional development bank in Indonesia that carries a strategic mission to serve civil servants (ASN), particularly through its pre-retirement credit product aimed at employees approaching retirement age. This market segment is considered financially secure, with steady income and strong repayment capabilities, making it an attractive target for low-risk lending. However, in recent years, the performance of the pre-retirement loan product at Bank Sumut's Medan Coordinator Branch has shown signs of decline. Internal performance reports show that credit disbursement for pre-retirement loans declined by 6.23% in 2021 and by an additional 2.81% in 2022, while early repayment rates increased by 11.07% during the same period. These developments suggest a weakening demand and potential challenges in portfolio sustainability. Consequently, it is imperative for the bank to reevaluate its marketing strategies to maintain competitiveness and enhance customer retention.

This decline suggests that existing marketing efforts are not effectively resonating with the intended customer base. Given the high potential of ASN customers—primarily those in their pre-retirement phase who are financially literate and often have exclusive payroll arrangements—understanding their purchasing behavior is imperative. According to Kotler and Keller (2016), the 7P marketing mix—comprising Product, Price, Place, Promotion, People, Process, and Physical Evidence—offers a strategic framework for service-oriented institutions to evaluate and enhance customer engagement. However, current literature lacks targeted investigations on how these marketing mix elements influence purchase intentions in the specific context of pre-retirement

financial products for ASN in regional banks. Prior studies have predominantly explored commercial segments or generalized consumer behavior without considering the distinctive financial planning characteristics of civil servants approaching retirement (Yulianti, 2017; Yustisia & Ratnasari, 2021). Previous studies on the influence of marketing mix elements on consumer behavior, particularly in the financial sector, have predominantly employed quantitative methods such as multiple linear regression to examine causal relationships. For instance, Nainggolan and Heryenzu (2018) utilized multiple linear regression in a quantitative design to assess the impact of product quality, price, location, and promotion on housing purchase intentions in Batam, revealing significant simultaneous effects. Similarly, Alpi et al. (2022) applied the same regression technique to evaluate marketing strategies at PT Bank Sumut Syariah KCP Medan, finding positive influences on customer acquisition through survey data. These approaches effectively identified basic patterns but were limited to fewer variables (e.g., 4Ps) and simpler models, often overlooking multidimensional constructs like people and process in extended frameworks. Qualitative methods, such as case studies with interviews and SWOT analysis, were also common, as seen in Muhizar et al. (2022) and Budhi Februari and Nursanti Yanti (2024), which explored promotional strategies and pre-retirement financing at Bank Syariah Indonesia, highlighting narrative insights into customer engagement but lacking statistical rigor for hypothesis testing.

This study addresses that gap by analyzing the influence of each element of the 7P marketing mix on the purchase intention of pre-retirement credit products among civil servants nearing retirement at Bank Sumut's Medan Coordinator Branch. In contrast to prior works, it adopts a quantitative causal design using Partial Least Squares Structural Equation Modeling (PLS-SEM) to analyze the full 7Ps on pre-retirement credit purchase intentions among ASN at Bank Sumut Medan Coordinator Branch. This method builds on prior regression-based work by integrating measurement and structural models, accommodating non-normal data and small samples ( $n=97$ ), and enabling advanced validation through bootstrapping and path analysis. The primary advantages of PLS-SEM over previous studies include its robustness to multicollinearity and the strict assumptions of linear regression, its ability to handle multidimensional latent variables (such as reflective indicators for the 7Ps), and its predictive focus that yields higher  $R^2$  values for better generalizability—surpassing the subjectivity of qualitative approaches and the simplicity of regression, thereby providing more actionable strategic insights, such as targeted product innovation for retirees, with superior empirical reliability. The objective is to provide a comprehensive assessment of which marketing strategies most significantly affect decision-making in this segment. The findings are expected to contribute both theoretically—by contextualizing the 7P model in public-sector financial services—and practically—by offering evidence-based recommendations for improving marketing alignment, product relevance, and service delivery for ASN customers in the pre-retirement phase.

## 2. Literature Review

### 2.1. Purchase Intention in Financial Services

Purchase intention represents a consumer's psychological tendency toward a product prior to making an actual purchase decision (Shimp, 2013). It reflects a cognitive and affective process whereby individuals evaluate whether a product satisfies their needs. When consumers perceive that the benefits of a product outweigh the costs, their intention to purchase increases (Kotler & Keller, 2016). Purchase intention is also driven by personal preferences, product awareness, and financial readiness (Schiffman & Kanuk, 2018; Rizky & Yasin, 2014). In the realm of financial services, this purpose is strongly tied to factors like reliability, user-friendliness, and the appropriateness of the available products, particularly for clients navigating major life changes, such as entering retirement (Nulufi & Murwatiningsih, 2015; Harita, 2022).

## *2.2. The 7Ps Marketing Mix Framework*

The marketing mix represents an essential framework that businesses employ to develop marketing plans tailored to consumer preferences and prevailing market dynamics (Kotler & Keller, 2016). Originally conceptualized as the 4Ps—Product, Price, Place, and Promotion—this model was subsequently broadened to the 7Ps to better suit service-driven sectors, incorporating the elements of People, Process, and Physical Evidence (Souar, Mahi, & Ameur, 2015). This expanded model is primarily relevant in the banking sector, where service delivery involves personal interaction, procedural transparency, and tangible cues that build customer confidence (Hendrayani, 2020; Isoraite, 2016).

Each element of the 7Ps play a distinct role in shaping customer perception. The Product strategies focus on aligning features and benefits with customer expectations (Kotler & Armstrong, 2017), while pricing influences perceived value and competitive positioning (Mahmood & Khan, 2014). Place refers to distribution channels, both physical and digital, that determine the accessibility of financial services (Fitriani & Nugroho, 2019). Promotion encompasses all communication efforts to educate and attract customers, ranging from advertising to financial literacy campaigns (Syarifuddin et al., 2021).

People, referring to employees and front-line staff, are critical in service delivery, primarily in high-involvement services like loans and retirement planning (Khumnualthong, 2015; Grohmann et al., 2018). The process component entails procedures and systems that ensure service efficiency and reliability (Halim, 2021), in contrast, physical evidence encompasses every tangible aspect associated with the brand, encompassing elements like informational pamphlets, digital apps, and the physical spaces where services are delivered (Preko & Gameti, 2014).

## *2.3. Empirical Evidence on Marketing Mix and Consumer Behavior*

A wide array of empirical research underscores the profound influence of the marketing mix on consumer actions. Zulkiffli (2017) found that the quality of service delivery, driven by human resource competence, significantly enhances customer satisfaction and loyalty in banking. Ismail and Adnan (2020) emphasized that structured human resource management, including training and customer orientation, contributes to the overall performance of banks. Likewise, Suryani and Siska (2018) emphasized the mediating function of trust in connecting service quality to consumer purchase choices.

Kurniawan and Sigit (2019) demonstrated that effective customer relationship management—rooted in trained and responsive staff—improves the financial performance of banking products. Ningsih (2020) further affirmed that ongoing development of employee skills enhances service quality and customer satisfaction. These findings support the notion that the marketing mix, particularly the human and procedural aspects, is crucial for influencing purchase intentions in financial products like pre-retirement credit.

## *2.4. Partial Least Squares Structural Equation Modeling (PLS-SEM)*

Partial Least Squares Structural Equation Modeling (PLS-SEM) represents a variance-based technique for analyzing intricate causal relationships among latent variables, originally pioneered by Herman Wold in the early 1980s as a practical counterpart to covariance-based SEM approaches. Unlike traditional methods that prioritize overall model fit, PLS-SEM prioritizes enhancing the proportion of variance explained in endogenous variables, which renders it especially useful for investigative and forecasting research in disciplines such as management and social sciences (Hair et al., 2022). This approach excels in scenarios involving non-parametric data distributions, modest sample sizes (typically 100 or more cases), and multifaceted models incorporating multiple indicators, mediators, or moderators, which are common hurdles in empirical studies (Henselere et al., 2023).

PLS-SEM provides notable strengths, such as its resilience against deviations from normality assumptions and its flexibility in supporting both reflective and formative measurement structures, without imposing rigid multicollinearity constraints, allowing researchers to explore complex interdependencies, such as indirect effects or nonlinear associations, with relative ease (Richter et al., 2023). However, critics note limitations, including a potential for inflating path coefficients in confirmatory contexts and reduced suitability for rigorous theory testing, as it emphasizes prediction over precise population parameter estimation, which may compromise generalizability if not cross-validated (Böckenholt & Curran, 2022). In recent literature reviews, PLS-SEM has gained traction in diverse applications, from assessing consumer behavior in marketing to evaluating organizational sustainability in operations management, with emerging integrations in AI-driven business research highlighting its adaptability to heterogeneous datasets (Choi & Yoon, 2023).

For robust implementation, scholars advocate a two-stage evaluation process: first, assessing the outer measurement model for reliability (e.g., composite reliability  $> 0.70$ ) and validity (e.g., AVE  $> 0.50$ , HTMT  $< 0.85$  for discriminant validity), followed by inner model scrutiny via bootstrapping (e.g., 5,000 resamples) to gauge path significance and  $R^2$  values (Al-Emran et al., 2023). To mitigate biases, combining PLS-SEM with complementary techniques like CB-SEM for triangulation is increasingly recommended, especially in quality management studies where predictive accuracy intersects with theoretical rigor (Roldán & Sánchez-Franco, 2024). Overall, as evidenced in systematic reviews from 2023 onward, PLS-SEM continues to evolve as a flexible tool for advancing empirical insights in dynamic research landscapes, provided users adhere to updated guidelines for model specification and reporting.

### 3. Methods

#### 3.1. Research Design

This study employs a quantitative approach, focusing on the measurement and analysis of numerical data collected from civil servants under the management of Bank Sumut Medan Coordinator Branch. Quantitative data facilitate objective analysis and hypothesis testing to derive empirical evidence.

This study employs a causal research methodology to explore the effects of the seven marketing mix elements—Product, Price, Place, Promotion, People, Process, and Physical Evidence—on consumers' willingness to buy pre-retirement credit offerings. Causal research enables researchers to evaluate cause-and-effect relationships among variables (Umar, 2018).

#### 3.2. Time and Location of Research

The study was conducted at Bank Sumut Medan Coordinator Branch, with planned research activities spanning from March to May 2025.

#### 3.3. Population and Sample

The population in this study consists of 3,304 civil servants (Aparatur Sipil Negara or ASN) under the management of Bank Sumut Medan Coordinator Branch who are  $\geq 50$  years old and have not yet acquired pre-retirement credit facilities. The sampling frame spans 46 agencies under the Medan City Government and the Provincial Government of North Sumatra.

For this investigation, the sample size was calculated using the straightforward Slovin equation,  $n = N / (1 + N e^2)$ , in which  $n$  indicates the number of participants,  $N$  signifies the overall population, and  $e$  denotes the permissible margin of error. As described by Antoro (2024), this formula serves as a simplified version of the generic sample size equation, omitting key

parameters such as the population standard deviation ( $\sigma$ ) and confidence level ( $1-\alpha$ ), which can introduce bias in heterogeneous populations by failing to account for data variability. Applying a 10% margin of error ( $e = 0.1$ ) to the relevant employee population yielded a sample of 97 respondents. To ensure proportional representation across population strata, proportional sampling was then employed based on employment grades, as detailed in Table 1.

Table 1. Proportional Sampling Based on Employment Grades

Employment Grades	Population	Percentage	Sample Size
II	238	7,2 %	7
III	2.217	67,1 %	6
IV	849	25,7%	25
Total	3.304	100 %	97

Source: Bank Sumut Medan Coordinator Branch (2025).

Sampling was conducted using proportional random sampling and random draw techniques within each stratum.

### 3.4. Data Collection Techniques

The information was gathered via a standardized survey that incorporated Likert-type statements, featuring a five-point scale from Strongly Disagree (1) to Strongly Agree (5). The questionnaire included both favorable and unfavorable items to measure respondents' perceptions of the marketing mix factors (7Ps) for Bank Sumut's Pre-Pension Credit product, as well as purchase intention. Specifically, the items were grouped into seven marketing factors as follows, with each group assessing a distinct element of the service marketing mix:

Product (X1, Items 1–3): These items evaluated the perceived quality, usability, and competitive advantages of the product.

1. From the information I received, the Pension Credit product has better quality than similar products from other banks.
2. The features of this product, such as withdrawals and deposits, are easy to use.
3. This product has many advantages (compared to similar products from other banks).

Price (X2, Items 4–6): These items assessed affordability, value for money, and competitiveness relative to rivals.

4. The price (cost/service fee) of the product is affordable.
5. The price of this product is in accordance with the benefits obtained.
6. Compared to other banks, this product is cheaper and more competitive, especially in administrative costs.

Promotion (X3, Items 7–9): These items examined the clarity and effectiveness of promotional communications.

7. Promotional materials for this product on the Bank Sumut website are easy to understand.
8. Circular letters, brochures, and other media that specifically explain the product, distributed to me by marketers, are very helpful.
9. Bank Sumut actively introduces this product to target groups.

Place (X4, Items 10–12): These items gauged accessibility and distribution convenience.

10. Product experience is easily accessible through internet banking (application); Sumut mobile.
11. The location of Bank Sumut branch offices is easily accessible by people who want to open an account.
12. Bank Sumut has a wide service network.

People (X5, Items 13–16): These items measured staff responsiveness, professionalism, and interaction quality.

13. Bank Sumut officers provide transparent product explanations when I ask for information.
14. Bank Sumut employees are responsive when answering my questions.

15. The service provided by employees is professional. 16. Good interaction from staff builds my trust more.  
Process (X6, Items 17–20): These items evaluated the ease and reliability of service delivery procedures.

17. The product process offered is easy to understand.

18. The product registration procedure is fast and easy.

19. I feel calm because there is no potential-hidden risk.

20. The data requested for the credit application is quite easy.

Physical Evidence (X7, Items 21–24): These items assessed tangible cues like appearance, information access, testimonials, and reputation.

21. The physical appearance/leaflet of the pre-pension credit is attractive.

22. Information about the Bank Sumut Credit product is easily accessible via the Bank Sumut website.

23. I found positive testimonials through the website.

24. This product has a good reputation compared to other banks.

Additionally, six items measured purchase intention (Y), capturing overall interest and recommendation propensity:

1. I am interested in following the Pre-Pension Credit program from Bank Sumut.

2. I have the intention of registering this product for my retirement needs in the future.

3. I will recommend this credit to my colleagues.

4. This is my primary choice for seeking retirement.

5. I have a keen interest in purchasing this product.

6. My desire to acquire this product arises from its minimal risk to me.

### 3.5. Data Analysis Techniques

This investigation employs Partial Least Squares Structural Equation Modeling (PLS-SEM) through the SmartPLS software. The PLS approach is particularly suitable for scenarios involving limited sample sizes or datasets that violate assumptions of multivariate normality (Riyanti, 2018).

## 4. Results and Discussions

### 4.1. Descriptive Analysis of Respondents

Descriptive statistics were conducted to provide a demographic profile of the respondents, as presented in Table 2. The variables analyzed included institutional affiliation, gender, age, and employment rank. This analysis was essential to ensure that the sample reflected the targeted population, which consisted of ASN (Aparatur Sipil Negara) employees approaching retirement, as they represent the potential market for pre-retirement credit products.

Table 2. Demographic Profile of Respondents (n = 97)

Variable	Category	Frequency	Percentage
Gender	Others	20	20,62 %
	Male	31	31,96 %
	Female	66	68,04 %
Age	53 Years	19	19,59 %
	54 Years	28	28,87 %
	55 Years	33	34,02 %
	56 Years	7	7,22 %
	57 Years	10	10,31 %

	II	7	7,22 %
Employment Rank	III	65	67,01 %
	IV	25	25,77 %

#### 4.2. Data Collection, PLS-SEM Data Processing, and Interpretation

##### 1. Data Collection Process

This research adopts a quantitative methodology, drawing on primary data gathered via a standardized survey. The questionnaire is developed around key indicators for each component of the marketing mix—Product, Price, Place, Promotion, People, Process, and Physical Evidence—as well as for the Purchase Intention construct. Responses to every statement are evaluated on a five-point Likert scale, from 1 (Strongly Disagree) to 5 (Strongly Agree).

In this investigation, the participants comprise Civil Servant (ASN) clients at Bank Sumut's Medan Coordinator Branch, including those who have previously adopted the Pre-Pension Credit product or represent potential adopters. Purposive sampling was selected as the method, with the participant total adhering to PLS-SEM's baseline requirement of surpassing tenfold the count of indicators in the variable featuring the largest set. Questionnaires were handed out on-site to the respondents within the branch facilities and pertinent operational sections.

##### 2. Data Processing Using PLS-SEM

Following data collection, the dataset underwent analysis via Partial Least Squares Structural Equation Modeling (PLS-SEM), facilitated by the SmartPLS application. This technique was chosen for its ability to concurrently scrutinize the measurement model (outer model) and the structural model (inner model), proving effective despite modest sample volumes and datasets that deviate from perfect normality.

The outer model assessment focused on verifying the validity and reliability of indicators linked to each latent variable. Convergent validity was gauged through loading factors surpassing 0.7, Average Variance Extracted (AVE) scores above 0.5, and composite reliability (CR) metrics exceeding 0.7. Discriminant validity was verified employing the Fornell–Larcker standard alongside cross-loading evaluations, confirming that indicators aligned more closely with their own constructs than with alternatives. Additionally, construct reliability was substantiated by Cronbach's Alpha scores greater than 0.7, signifying robust internal consistency across the items.

With the measurement model satisfying these benchmarks, the inner model was then appraised to probe the interrelationships among latent constructs. Key elements included path coefficients, the coefficient of determination ( $R^2$ ), and t-values derived from bootstrapping procedures involving 5,000 resamples. The  $R^2$  metric illustrated the degree to which the predictor variables (marketing mix components) accounted for fluctuations in the outcome variable (purchase intention). Furthermore, t-values exceeding 1.96 coupled with p-values under 0.05 denoted meaningful statistical connections between the variables.

##### 3. Interpretation of Analysis Results

The findings from the analysis reveal that the components of the marketing mix do not uniformly affect consumers' intent to acquire the Pre-Pension Credit product. The Product, Price, People (Human Resources), and Physical Evidence variables demonstrate a positive and significant influence on purchase intention, implying that enhancements in product quality, the adoption of competitive pricing policies, professional employee service, and compelling physical evidence can boost ASN's willingness to adopt the product. In contrast, the Place and Process variables do not exhibit significant influence, likely because service convenience is already perceived as standard by ASN customers through the payroll system, rendering location and procedural factors no longer primary determinants in purchase decisions. The elevated  $R^2$  value points to the fact that the analyzed marketing mix factors account for a considerable share of the fluctuations in consumers' buying intent, underscoring the continued

importance of the marketing mix in shaping customer purchasing behavior, albeit with varying degrees of impact across its components.

#### *4.3. Statistical Analysis of The Relationship Between The 7P Marketing Mix and Purchase Intention*

This research applied Structural Equation Modeling (SEM) via the Partial Least Squares (PLS) method as its central statistical approach. The PLS-SEM technique is especially well-suited for exploratory investigations and frameworks featuring intricate interconnections among latent constructs. The PLS analytical process encompasses two key phases: the measurement model (outer model) and the structural model (inner model) (Hair, Hult, Ringle, & Sarstedt, 2017).

When assessing the outer model, the evaluation emphasized the examination of convergent validity, discriminant validity, and composite reliability. Convergent validity was determined via factor loadings and the average variance extracted (AVE), verifying that each latent variable captured an adequate portion of the variance among its related indicators. As an illustration, the independent variables embodying the seven Ps within the broadened marketing mix—Product (X1), Price (X2), Place (X3), Promotion (X4), People (X5), Process (X6), and Physical Evidence (X7)—were measured via reflective indicators such as X1.1 (product quality), X1.2 (product features), and X1.3 (product variety) for Product; X2.1 (affordability), X2.2 (price competitiveness), and X2.3 (value for money) for Price; and similarly for the others (e.g., X3.1 for advertising reach under Promotion, X5.1 for staff competence under People), as depicted in the path diagram. These indicators captured the multidimensional aspects of each P, linking theoretical marketing elements to observable variables for empirical testing. Discriminant validity was evaluated via the Fornell-Larcker criterion and cross-loading assessments, confirming that each latent variable remained statistically distinct from the others. Composite reliability served as the metric for measuring the internal consistency of these variables, delivering a more precise reliability assessment than Cronbach's alpha in isolation.

The inner model evaluation included several key indicators, as illustrated in Figure 1 (Path Diagram of Inner Model Testing). R-squared ( $R^2$ ) was used to assess the explanatory power of the model for each endogenous (dependent) latent variable. In addition, the Q-squared ( $Q^2$ ) predictive relevance value, obtained through blindfolding procedures, was utilized to evaluate the model's predictive accuracy. Ultimately, the path coefficients were scrutinized to validate the formulated hypotheses and evaluate the magnitude and statistical relevance of the interconnections among the latent variables.

This two-stage evaluation framework in PLS-SEM provides a comprehensive approach to validate both the measurement and structural components of the model, thus ensuring the robustness of the findings.

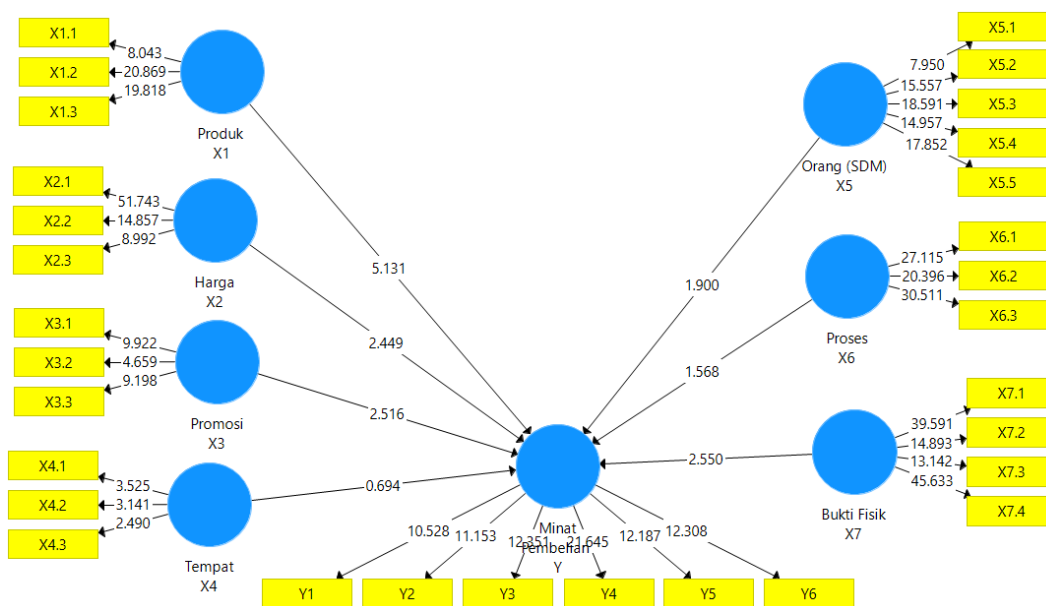


Figure 1. Path Diagram of Inner Model Testing

In this research, the evaluation of hypotheses drew on three essential indicators: path coefficient, t-statistic, and p-value. A hypothesis was deemed supported when the t-value exceeded 1.661 (based on degrees of freedom  $df = 97 - 7 = 90$  for a two-tailed test at a 5% significance level) and the p-value fell at or below 0.05. The findings from this hypothesis assessment are outlined in the accompanying Table 3.

Table 3. Demographic Profile of Respondents (n = 97)

Variable	Original Sample (O)	T Staistics (O/STDEV)	p-Values	Hypothesis Conclusion	
	Path Coefficient	t-Value		Ho	Ha
Product → Purchase Intention	0,534	5,131	0,000	Accepted	Accepted
Price → Purchase Intention	0,234	2,449	0,007		
Promotion → Purchase Intention	-0,077	2,516	0,006		
Place → Purchase Intention	-0,026	0,694	0,244	Accepted	Accepted
People → Purchase Intention	0,327	1,900	0,029	Accepted	Accepted
Process → Purchase Intention	-0,912	1,568	0,058		
Physical Evidence → Purchase Intention	0,126	2,550	0,005	Accepted	Accepted

Source: SmartPLS output (2025)

Note: Degrees of freedom (df) = n - k (n = 97 samples, k = 7 variables); t-table value = 1.661 (two-tailed test,  $\alpha = 0.05$ )

According to Table 3, the elements Product (X1), Price (X2), Promotion (X3), People/HR (X5), and Physical Evidence (X7) demonstrate a statistically significant effect on purchase intention (Y), despite the negative effect of Promotion. In contrast, Place (X4) and Process (X6) show no significant influence. Overall, five of the seven 7P variables are confirmed to affect purchase intention.

4.4. Discussions

The results of this study, as depicted in Figure 1 (Path Diagram of the Structural Model) and quantified in Table 3 (Hypothesis Testing Results: Path Coefficients between 7P Variables and Purchase Intention), reveal varying degrees of influence from the 7P marketing mix elements on customers' purchase intention (Y) toward pre-retirement credit products at Bank Sumut Medan

Coordinator Branch. Specifically, the path coefficients in Table 3 represent the direct effect sizes ( $\beta$ ) of each exogenous variable (X1–X7) to Y, derived from the PLS-SEM analysis shown in Figure 1, where arrows indicate hypothesized paths and node sizes approximate explained variance contributions.

Product (X1) exhibits the strongest positive influence ( $\beta = 0.534$ ,  $t = 5.131$ ,  $p < 0.001$ ), underscoring how indicators like product quality (X1.1), features (X1.2), and variety (X1.3)—visualized in the left cluster of Figure 1—align with retirees' needs for secure, tailored financial benefits, significantly boosting intention. Price (X2) follows with a notable positive effect ( $\beta = 0.234$ ,  $t = 2.449$ ,  $p = 0.007$ ), where affordability (X2.1) and value-for-money (X2.3) indicators enhance perceived equity, as the path weight suggests moderate but reliable impact on decision-making.

Promotion (X3) yields a significant yet negative coefficient ( $\beta = -0.077$ ,  $t = 2.516$ ,  $p = 0.006$ ), implying that while advertising reach (X3.1) and promotional incentives (X3.2) in Figure 1's promotional node register statistically (per Table 3), their current execution—possibly due to generic messaging—deters rather than drives intention among the targeted ASN demographic. In contrast, Place (X4) shows an insignificant negative path ( $\beta = -0.026$ ,  $t = 0.694$ ,  $p = 0.244$ ), indicating that distribution accessibility (X4.1–X4.3), despite being mapped in Figure 1, acts as a non-differentiator for familiar bank users.

People/HR (X5) positively and significantly affects intention ( $\beta = 0.327$ ,  $t = 1.900$ ,  $p = 0.029$ ), with staff competence (X5.1) and service attitude (X5.2) indicators in the central-right node of Figure 1 fostering trust via interpersonal dynamics. Process (X6) has a negative but insignificant influence ( $\beta = -0.192$ ,  $t = 1.568$ ,  $p = 0.058$ ), suggesting that procedural efficiency (X6.1–X6.3), as outlined in Figure 1, meets baseline expectations without elevating decisions for repeat clients. Finally, Physical Evidence (X7) delivers a significant positive boost ( $\beta = 0.126$ ,  $t = 2.550$ ,  $p = 0.005$ ), where facility quality (X7.1) and employee appearance (X7.2) cues in Figure 1 reinforce credibility, per the modest path strength in Table 3.

Collectively, these path weights (total  $R^2$  for Y  $\approx 0.625$ , implying a 62.5% variance explained) emphasize product innovation, pricing transparency, human-centered service, and tangible cues as pivotal drivers, while distribution and processes are commoditized. Bank Sumut should prioritize refining promotions and streamlining non-core elements to optimize the model's predictive power for retirement product uptake.

## 5. Conclusion

This study empirically demonstrates that the 7P marketing mix significantly influences purchase intention for pre-retirement credit products among ASN at Bank Sumut's Medan Coordinator Branch. Through PLS-SEM analysis of data from 97 respondents, five elements—Product ( $\beta=0.534$ ,  $p<0.001$ ), Price ( $\beta=0.234$ ,  $p=0.007$ ), Promotion ( $\beta=-0.077$ ,  $p=0.006$ ), People ( $\beta=0.327$ ,  $p=0.029$ ), and Physical Evidence ( $\beta=0.126$ ,  $p=0.005$ )—exert significant effects, with Product showing the strongest positive impact. Conversely, Place and Process lack significance, reflecting their commoditized role for payroll-linked customers. The model's  $R^2$  of 0.625 indicates robust explanatory power, affirming the 7P framework's relevance in financial services while highlighting opportunities for targeted enhancements in product design, pricing, and service professionalism to revitalize demand and sustain portfolio growth.

To build on these findings, future studies should expand the scope to multiple Bank Sumut branches or comparative analyses across regional banks, incorporating longitudinal data to track behavioral shifts post-intervention. Integrating mixed-methods approaches, such as in-depth interviews, could uncover qualitative nuances in ASN decision-making, while exploring mediators like perceived risk or moderators like digital literacy would enrich the model. Additionally, examining emerging factors—e.g., fintech integration or sustainability-focused features—could adapt the 7P framework to evolving retirement planning dynamics in Indonesia's public sector.

## Acknowledgement

Although this research delivers meaningful contributions, it is essential to recognize its inherent constraints. Primarily, the investigation was confined to a solitary branch of Bank Sumut, which could limit the broader applicability of the results to other locations or areas characterized by diverse population demographics and operational structures. Second, the study employed a purely quantitative approach using SEM-PLS, which, while effective in modeling variable relationships, does not capture deeper behavioral or psychological aspects of consumer decision-making. Third, the analysis focused solely on the 7P marketing mix framework, potentially overlooking other influential factors such as trust, customer loyalty, perceived risk, or product innovation. Future research is encouraged to expand the sample scope across multiple branches or different financial institutions to increase generalizability. Additionally, employing a mixed-methods approach that integrates qualitative data could offer richer, more nuanced insights. Finally, subsequent research is encouraged to integrate additional constructs, including digital experience, emotional engagement, and brand reputation, in order to enrich the explanatory power of purchase intention models within financial services.

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