

The Influence of Product Quality, Price and Promotion on the Purchase Decision of VIVO Smartphones in Kecamatan Tungkal Jaya

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Abstract

This study aims to determine the effect of product quality, price and promotion on purchasing decisions for Vivo smartphones in Tungkal Jaya District. The population in this study is infinite, namely the people of Tungkal Jaya District. The sample was determined as many as 100 respondents who were taken by purposive sampling. The data used is primary data, while the on and data collection technique is a questionnaire. The analysis technique used is multiple linear regression, F test, T test, and analysis of the coefficient of determination. The results of multiple linear regression analysis show that there is a positive influence of product quality, price and promotion on purchasing decisions. The results of the F, test hypothesis show that there is a significant influence of product quality, price and promotion on Vivo Smartphone purchasing decisions in Tungkal Jaya District. The results of the t, test show the partial effect of product quality, price and promotion on Vivo smartphone purchasing decisions in Tungkal Jaya District. The results of the coefficient of determination obtained by the variables of product quality, price and promotion are able to contribute to purchasing decisions with a contribution of 32.4%, while the remaining 57.6% is explained by other variables not included in this study.

Keywords: product quality, price, promotion, purchase decision.

1. Introduction

Developments in today's modern era are information and communication technology. Current information and communication technology become an important need for society public. This need has an impact on the increasing demand for variety in the type of means of communication that resulted from more and more competition in the world common in telecommunications. That matter is commonly seen from the number of manufacturers who manufactures communication products (Smartphone) that offers this type of product new with innovation from previous products which is already circulating among the public. Where the products produced provide many conveniences for consumers in carrying out work activities and communication.

Smartphones, mobile phones that are used to communicate, have capabilities with computer-like usage and functions. There is no factory standard that determines the meaning of the smartphone. For some people, a smartphone is a phone that works with all operating system software that provides standard and fundamental relationships for application developers. A global smartphone brand from China that focuses on introducing perfect sound quality (music) and photography (camera) with cutting-edge technology, Vivo develops products that are dynamic and stylish, young and full of passion. Vivo develops and manufactures smartphones, smartphone accessories, software,

and online services. Vivo was founded in 2009, in Donggun, China, and named after the Esperanto word for life. In the first quarter of 2015, vivo topped the top 10 smartphone makers as it achieved a global market share of 2.7%. In the second quarter of 2022, Vivo is ranked 5th in controlling the global smartphone market share, with a value of 9%. Now smartphone manufacturers must continue to develop products that are marketed so that they can be utilized as much as possible by consumers. On the other hand, today's consumers do not only buy goods or services, but must also think about aspects of promotion, price, and product quality. Therefore manufacturers must have the right marketing strategy to be able to compete with other companies.

Marketing is the business function that identifies needs and wants, defines and measures them, determines the best target buyers to serve, and determines the appropriate products and services, and programs to serve these targets. companies engage customers, build strong customer relationships, and create customers to get value from customers in return (Kotler & Armstrong, 2018). Marketing has various objectives, including realizing the welfare of the company and customers, finding solutions to the problems faced, and obtaining benefits that can satisfy the needs and desires of customers. Then followed by his statement that marketing is related to an effort to satisfy customer needs (Tjiptono & Diana, 2016)

Consumer behavior is the things that underlie and make consumers make purchasing decisions (Firmansyah, 2018). When deciding to buy an item or product or service, of course, as a consumer, you always think about the item to be purchased first. Starting from the price, model, shape, packaging, quality, function or use of the item, and so on. Consumer behavior is the basis for consumers to make purchasing decisions. Consumer decision is the decision to buy the most preferred brand, but two factors can arise between purchase intention and purchase decision (Kotler & Armstrong, 2018). Purchasing decisions are complex decision-making processes often involving several decisions, a decision involving a choice between two or more alternative courses of action or behavior (Setiadi in Sunyoto, 2019).

One of the factors that influence purchasing decisions is product quality. Product quality is something that is offered to consumers in the form of goods or services to meet customer needs and desires which can then be used or felt by customers. According to Tjiptono & Chandra (2017). In addition to product quality, price must also influence purchasing decisions. price which is the amount of money charged for an item or the amount of the value of money exchanged by consumers for the benefits of owning or using the product or service. Price is a measurement or monetary unit of a product of goods or other services that is exchanged to obtain ownership rights or use of the goods or services (Malau, 2017). In addition to price, promotion also has an effect on purchasing decisions. Promotion is how producers convey messages about their products, so that consumers know the product and can be convinced that the product is needed by consumers and can provide benefits to be able to solve problems faced by consumers (Sumarwan, 2017).

Based on the top brands, it shows that Samsung is in first place leading the top brands in 2022, namely 33.00%. Oppo followed in the order of the second top brand, namely 20.60%. Then Iphone is in the order of the third top brand, namely 12.00%. Then Xiomi ranks fourth as the top brand, namely 11.20%. Meanwhile, the Vivo Smartphone ranks fifth or last for the top brands, namely 9.70%.

The researcher tried to ask 30 respondents to find out how many brands were used in the Kec. Tungal Jaya can be seen that the Vivo smartphone is still in fifth place out of 6 smartphone brands used by the people of the district. Tungal Jaya. Based on the pre-survey, the following results were also obtained from initial interviews with 30 people as respondents in Kec. Tungal Jaya. The location for this research was chosen because in the Tungal Jaya district, there are many people who use vivo smartphones. This problem can occur due to the many shortcomings of this brand, which continue to experience a decline in buyers. It's easy to heat up quickly if it's used for too long and its features are incomplete, describing variable indicators of product quality. Vivo smartphones get hot easily if they are used for too long and their features are incomplete, such as in the camera there is no time lapse, which is one of the causes of consumer disinterest.

The price of the Vivo smartphone is too expensive and the price will fall if it is resold, raising the price variable indicator. Price is an important assessment for consumers, if the price offered by the product is high then consumers also expect high quality. But often the resale price is cheap. Ads are not attractive and lack of promos raises the promotion variable indicators. Promotions carried out by Vivo are rarely seen in advertising media, losing compared to the latest competitors, this makes consumers unable to find out about new products released by Vivo smartphones.

Based on the background above, it can Based on the background described above, the researcher can formulate the main problem as follows: Is there any influence of product quality, price and promotion on purchasing decisions for Vivo smartphones in Kec. Tungal Jaya? Is there any influence of product quality on purchasing decisions for Vivo smartphones in Kec. Tungal Jaya? Is there an effect of price on the decision to purchase a Vivo smartphone in Kec. Tungal Jaya? Is there any promotional influence on the decision to purchase a Vivo smartphone in the Kec. Tungal Jaya?

2. Literature Review

Consumer behavior. According to Ginting (2019) Consumer behavior is the study of individuals, groups or organizations and the processes they use to select, secure, use, place products and so on. According to Kotler and Keller (2016) states that consumer behavior is the study of how individuals, groups and organizations choose, buy, use and dispose of goods, services or experiences to satisfy their needs and wants. A marketer must fully understand both the theory and the reality of consumer behavior. According to (Kotler, Keller, 2020) explained that the decision-making process is a basic psychological process that plays an important role in understanding how consumers actually make purchasing decisions. Based on several understandings according to experts Ginting (2019), Kotler and Keller (2016), Kotler, Keller, (2020) it can be concluded that consumer behavior is the study of how individuals, groups, organizations, choose, buy, use, place products so that the basic psychological processes that play an important role in understanding how consumers actually make purchasing decisions.

Buying decision. According to Firmansyah (2019) purchasing decisions are problem-solving activities carried out by individuals in selecting appropriate behavioral alternatives from two or more alternative behaviors and are considered the most appropriate action in buying by first going through the stages of the decision-making process. According to Tanady & Fuad (2020) consumer purchasing decisions are influenced by how a purchase

decision-making process is carried out. According to Yusuf (2021) a purchasing decision is a thought in which an individual evaluates various options and makes a choice on a product from many choices. It can be concluded that purchasing decisions are one of the stages of consumer behavior that underlies consumers to make purchasing decisions before post-purchase behavior and how individuals, groups, and organizations choose, buy, use, and how goods or services satisfy their needs and wants. According to Kotler & Armstrong (2018) Purchasing decisions have the following indicators: product selection, brand selection, dealer selection, time of purchase, number of purchases, payment methods.

Product quality. According to Firmansyah (2019) Product quality is something to be used, cared for, consumed or owned with the aim of satisfying consumer needs and desires. It can be concluded that all tangible or tangible production results can be seen, felt, and touched. According to Marmis (2018) product quality is the ability of a product to perform its functions, this includes overall durability, reliability, stability, ease of operation and product repair as well as other product attributes. According to Ernawati (2019) that product quality is an important factor that influences every customer's decision to buy a product. The better the quality of the product, the higher the interest of consumers who want to buy the product. According to Kotler and Armstrong (2013), there are seven dimensions of product quality, namely as follows: performance, durability, features, conformance to specification, reliability, esthetics, perceived quality.

Price. According to Firmansyah (2019) price is to achieve company targets, earn profits from sales, increase and develop product production, as well as expand marketing targets, setting the price of a product or service depends on the goals of the company or seller who markets the product. According to Kotler & Armstrong (2018) price is the amount of money charged for a product or service, or the amount of value exchanged by customers for the benefits of owning or using the product or service. In a narrow sense, price is the amount of money charged for a product or service. According to Nasution (2020) Price is something that means a lot to consumers and sellers. For consumers, price is the cost of something. Meanwhile, for the seller, price is one of the determining factors for the buyer to determine the decision to buy a product or service.

According to Kotler in Krisdayanto (2018) indicators that characterize prices are: price affordability, price conformity with service quality, price competitiveness, price compatibility with benefits, promotion. According to Kotler & Armstrong (2018) sales promotion is a short-term promotional mix tool. Sales promotions provide short-term incentives to encourage the purchase or sale of a product or service. According to Zahara & Sembiring (2020) promotion is an activity to provide information to the public about the products to be offered so that consumers are interested in buying the products or services offered. According to Firmansyah (2019) marketing carries out promotions to communicate information about their products and influence consumers to buy them.

Based on the explanation above, it can be concluded that promotion is a very important activity in marketing a product or service so that it can be interesting to buy the product, promotional activities must be designed as attractive as possible and the information conveyed must be easily understood by the public so that people who read it can be interested and easily understandable.

Purba (2019) conducted a similar study entitled the effect of price and product quality on Vivo smartphone purchasing decisions for students in the faculties of economics and social sciences. The results of this study indicate that price has a positive effect. So the price and product quality affect the decision to purchase Vivo Smartphone products for students of the Faculty of Economics and Social Sciences at Sari Mutiara Indonesia University in Medan with a calculated value greater than the table ($74.419 > 2.36$).

Furthermore, Prawira (2019) conducted similar research with the title of the effect of promotion, price and product quality on purchasing decisions for vivo smartphones in the people of the city of Yogyakarta. The results of this study indicate that promotion and product quality have a significant effect on purchasing decisions while prices do not have a significant effect on purchasing decisions. Simultaneously the promotion, price, and quality variables have a significant effect on purchasing decisions.

3. Research Method

The population in this study is infinite, namely the people of Tungkall Jaya District. The sample was determined as many as 100 respondents who were taken by purposive sampling. The data used is primary data, while the data collection technique is a questionnaire. The analysis technique used is multiple linear regression, F test, T test, and analysis of the coefficient of determination.

4. Findings and Discussions

Table 1. Multiple Linear Regression

Model	Unstandardized Coefficient		Standardized Coefficients
	B	Std. Error	Beta
1 (Constant)	3,770	1,118	
Product Quality (X1)	266	105	272
Price (X2)	173	073	222
Promotion (X3)	207	089	236

Based on the results of the multiple linear regression analysis above, it shows that between product quality, price and promotion, it is known that the product quality variable has the most dominant positive value. This means that product quality is the most influential factor in purchasing decisions for Vivo smartphones in Tungkall Jaya District.

Table 2. F TEST Results (simultaneous)

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	285,080	3	95,027	16,837	.000 ^b

	Residual	541,830	96	5,644		
	Total	826,910	99			

Based on the F Test Table (Anova) above, it can be seen that the Fcount value is 16.837 > Ftable 2.699, with a sig.F level of 0.000 < 0.05 (significant), then Ho is rejected and Ha is accepted, meaning that there is an influence on Product Quality, Price and Promotion on Vivo Smartphone Purchasing Decisions in Tungkal Jaya District.

Table 3. Partial Hypothesis Test Results t

	Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig
		B	Std. Error	Beta		
1	(Constant)	3.770	1.118		3.71	.001
	Product Quality	266	105	.272	2,522	.013
	Price	173	.073	.222	2,367	.020
	Promotion	207	.089	.089	2,311	.023

Based on the (partial) t test table above, it can be seen as follows: The tcount for product quality is 2.522 > ttable 1.984, with a sig.t level of 0.013 < 0.05 (significant), then Ho is accepted and Ha is rejected, meaning that there is a significant effect of Product Quality on Vivo Smartphone Purchasing Decisions in Tungkal Jaya District. The tcount value for the price is 2.367 > ttable 1.984, with a sig.t level of 0.020 < 0.05 (significant), then Ho is accepted and Ha is rejected, meaning that there is a significant effect of price on Vivo Smartphone Purchasing Decisions in Tungkal Jaya District. The tcount for promotion is 2.311 > ttable 1.984, with a sig.t level of 0.023 < 0.05 (significant), then Ho is accepted and Ha is rejected, meaning that there is a significant influence of Promotion on Vivo Smartphone Purchasing Decisions in Tungkal Jaya District.

5. Conclusion

From the research results it can be concluded and tested the hypothesis on the influence of product quality, price and promotion. There is a significant influence of product quality, price and promotion on purchasing decisions for Vivo smartphones in Tungkal Jaya District. There is a significant effect of product quality on purchasing decisions for Vivo smartphones in Tungkal Jaya District. There is a significant effect of product prices on purchasing decisions for Vivo smartphones in Tungkal Jaya District. There is a significant effect of product prices on purchasing decisions for Vivo smartphones in Tungkal Jaya District. Based on the description and conclusions, the authors provide suggestions from this study: On the product quality variable, researchers suggest that

Vivo Smartphone management maintains or is committed to making products whose product quality has been recognized in the community by considering in terms of performance, durability, suitability, features, reliability, aesthetics and the quality perspective of the Smartphone product Alone. On the price variable, the researcher suggests that Vivo Smartphone management make a policy on prices and make price comparisons of products again and also adjust prices to be even more competitive. On the promotion variable, the researchers suggest that they should provide attractive and innovative promotions to increase product sales, by utilizing social media, advertisements and so on, so that the promotions that have been carried out can attract the attention of potential consumers so that the company's image and Vivo products get better.

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