The Effect Of Product Quality And Promotion On Purchase Decision

Product Quality,
Promotion and
Purchase Decision

Case Study On STIM Budi Bakti Students as The OPPO Smartphone Buyers

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ABSTRACT

This study aims to determine: 1. The effect of product quality on purchasing decisions for Oppo smartphones for STIM Budi Bakti students; 2. The influence of promotions on purchasing decisions for Oppo smartphones for STIM Budi Bakti students; 3. The influence of product quality and promotion together on purchasing decisions for Oppo smartphones for STIM Budi Bakti students. This type of research is quantitative research. The sample in this study were STIM Budi Bakti students. The sample in this study was part of STIM Budi Bakti students, totaling 90 respondents. Data collection techniques in this study using a questionnaire. Data analysis techniques using Simple Linear Regression and Multiple Linear Regression. The results of research on Product Quality on Purchasing Decisions are known to have an influence of 60,7%. whereas for the results of research on product quality and promotion on purchasing decisions are known to have an influence of 62,6%. From this study, it shows that there is an influence of product quality and promotion on consumer satisfaction of Oppo smartphones for STIM Budi Bakti students.

Keywords: Product quality, Promotion, Purchasing decisions

ABSTRAK

Penelitian ini bertujuan untuk menganalisis 1. Pengaruh Kualitas Produk terhadap Keputusan Pembelian Smartphone Oppo pada mahasiswa STIM Budi Bakti; 2. Pengaruh Promosi terhadap Keputusan Pembelian Smartphone Oppo pada mahasiswa STIM Budi Bakti; 3. Pengaruh Kualitas Produk dan Promosi secara bersama-sama terhadap Keputusan Pembelian Smartphone Oppo pada mahasiswa STIM Budi Bakti. Jenis penelitian ini adalah penelitian kuantitatif. Sampel pada penelitian ini adalah mahasiswa STIM Budi Bakti. Sampel pada penelitian ini adalah sebagian mahasiswa STIM Budi Bakti yang berjumlah 90 responden. Teknik pengumpulan data pada penelitian ini menggunakan kuesioner. Teknik analisis data menggunakan Regresi Linier Sederhana dan Regresi Linier Berganda. Hasil penelitian Kualitas Poduk terhadap Keputusan Pembelian diketahui mempunyai pengaruh sebesar 60,7%. sedangkan untuk hasil penelitian Promosi terhadap Keputusan Pembelian diketahui mempunyai pengaruh sebesar 57,9%. Untuk hasil penelitian Kualitas produk dan Promosi terhadap Keputusan Pembelian diketahui mempunyai pengaruh sebesar 62,6%. Dari penelitian ini menunjukkan bahwa ada pengaruh Kualitas Produk dan Promosi terhadap Kepuasan Konsumen smartphone Oppo pada Mahasiswa STIM Budi Bakti

Kata Kunci: Kualitas Produk, Promosi, Keputusan Pembelian

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INTRODUCTION

The development of communication and information technology in Indonesia is increasingly advanced. The needs of people who use various kinds of communication tools have an impact on the increasing demand for various types of media and communication tools. This has sharpened business competition in the telecommunications business. Communication equipment products that continue to

emerge cause very competitive competition between companies producing communication equipment.

The large selection of smartphone brands and models on the market will affect a person's attitude towards buying and using smartphones. Purchasing smartphone products is no longer out of desire, but out of necessity. This is further sharpened by consumer decisions in choosing certain smartphone brands in order to clarify self-identity, to be viewed favorably in certain communities. Consumers will be more selective in choosing the products used according to the advantages of each product. The product concept states that consumers will prefer products that offer quality, outstanding and innovative features.

According to Assauri (2018) product quality product quality is a factor contained in an item or result that causes the item or result to be in accordance with the purpose for which the item or result is intended. People generally want to get the best product quality according to the price they pay. Research conducted by Purwidyantini, et all (2023) there is a positive and significant influence between product quality on purchasing decisions.

According to Warnadi and Triyono (2019:) promotion is a marketing activity that seeks to disseminate information, influence or persuade, and remind the target market, of the company and its products to be willing to accept, buy, and be loyal to the products offered by the company concerned. Promotion carried out in the sales process is a key element for the company's campaign. Promotion is a communication carried out by marketers to inform and remind potential customers to buy the products or services offered. Research conducted by Prasetya (2020) found that promotion has a positive effect on purchasing decisions at the Jawa Pos Radar Semarang office.

According to Buchari Alma (2018) purchasing decisions are a process where consumers recognize their problems, seek information about certain products or brands and evaluate how each of these alternatives can solve their problems, then lead to a purchase decision. Budi Bakti College of Management (STIM) was founded in 2002 and is located in the Madina Zone Area Jl Raya Parung Bogor KM 42, Ds. Jampang, Kec. Kemang, Kab. Bogor West Java. currently increasingly popular smartphones in various features and brands, one of which is among STIM BUDI BAKTI students, students who often follow the development of smartphones due to various factors, among others, as a need to make it easier to find references, lecture material or as entertainment during leisure time because smartphones that have high technology are able to make interesting games.

Oppo is one of the smartphone products that is currently widely used by the Indonesian people. Judging from its development, Oppo from year to year has created smartphone products with various sophisticated features and follows the trend of people's needs. Consumers are currently faced with various types of product choices offered through the top brand award website, Oppo and Samsung brands are in the top position beating iPhone, Xiaomi, Vivo, Lenovo. This shows the existence of Oppo and Samsung smartphones outperforming their competitors' products. Oppo smartphone itself received the Top Brand Award 2022 by occupying the top 2 among 6 similar competitors, namely Samsung, iPhone, Xiaomi, Vivo, and Lenovo smartphones. In a relatively broad competitive market, and where many competitors use the same flagship product, namely in the sale of smartphones that are being favored by the public.

Oppo is an excellent choice for people who prefer taking pictures with a good camera. Oppo smartphones offer strong camera specifications. However, for games the performance of Oppo smartphones is still lacking and rarely receives regular operating system updates, so users should decide based on the difference in specifications. Oppo smartphones have implemented promotions actively only introducing their newest products through digital media, namely television and internet media where Oppo smartphone works with one of the best artists and singers in Indonesia such as Reza Rahadian, Raisa, Isyana Sarasvati, Chelsea Islan, Vanesha Prescilia, and appears as a supporter of the advertisement being advertised, thus attracting consumer attention to buy the product. Oppo smartphones also do promotions through marketplace applications. In

contrast to the Samsung smartphone brand, which promotes not only through digital media but promotions are also carried out at every outlet in the mall or on the shoulder of the road.

From the explanation above, it can be seen that Oppo smartphones provide convenience services to customers such as, product quality and services and promotions provided by Oppo smartphones to customers, with the marketplace application service, of course, it will greatly help customers to choose and make purchasing decisions, customers can easily choose the series of their choice as desired without having to leave the house. Customers also don't need to worry about the security of the smartphones ordered.

Tjiptono (2008) suggests that quality reflects all dimensions of the product offering that produce benefits for customers. Kotler and Armstrong (2003) the meaning of product quality is the ability of a product to demonstrate its function, it includes overall durability, reliability, accuracy.

According to Astuti Miguna and Matondang Nurhafifah, (2020) product quality is everything that we can offer by producers to be considered, can be used, purchased and can also be consumed by consumers and producers according to certain consumer needs. According to Tjiptono (2008) the indicators that characterize product quality are:

- 1. Performance, i.e. the principal operating characteristics of the purchased core item.
- 2. Specialty, which is a secondary or complementary characteristic.
- 3. Reliability, which is the likelihood that it will break down or fail.
- 4. Conformance, i.e. the extent to which design and operating characteristics meet predetermined standards.
- 5. Durability, which is related to how long the product can continue to be used. This dimension includes the technical life as well as the economic life of the car.
- 6. Aesthetics, namely the attractiveness of the product to the five senses.

According to Praestuti (2020), promotion is an effort of persuasion that is used to persuade or encourage consumers to want to buy products and services produced by a company. Meanwhile, promotion according to Kotler and Armstrong (2018) is explained as all kinds of ways that companies do to share information on product advantages and persuade consumers to be willing to choose these products. Promotion is a component used by companies to influence and attract market interest in the products sold by the company. According to Kotler and Armstrong (2019: 62) indicators of promotion include:

- 1. Advertising. It is a form of non-personal promotional channel using various media to stimulate buyers.
- 2. Sales Promotion. Is one of the company's efforts to encourage the purchase or sale of products, one of which is by giving discounts.
- 3. Individual Sales. It is a personal presentation by salespeople with the aim of generating sales. The forms of promotion used include presentations, trade shows, incentive programs.
- 4. Public relations, Is a company's effort to promote or protect the image of a company or product with various programs that have been designed by the company.
- 5. Direct Marketing. It is a direct relationship with target consumers with the aim of obtaining immediate responses to build lasting relationships with consumers.

Kotler and Armstrong (2004) state that purchasing decisions are the stage of the decision process where consumers actually purchase products. According to Setiadi (2010) a purchase decision is an action taken by consumers due to perceived impulses or motives, giving rise to interest or encouragement to meet needs. Indicators of purchasing decisions according to Kotler and Keller (2016), purchasing decisions consist of several dimensions, including:

- 1. Product Selection. Consumers may decide to buy the product or use the money for other purposes. In this case, the company should focus on the people who are interested in buying the product and the product alternatives they are considering.
- 2. Brand Choice. Buyers have to decide which brand to buy. Each brand has its own differences.

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- 3. Distributor Selection. The buyer must decide which dealer to visit. Each buyer has different considerations in deciding on a supplier, which may be due to reasons such as close geographical location, low price, and complete inventory.
- 4. Purchase Time. Consumers can make different purchasing decisions, for example some consumers make purchases every month, every three months, every six months or every year.
- 5. Purchase Quantity. Consumers can decide how many products to buy at once. There may be multiple purchases.

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METHODS

Data collection techniques are the means used to obtain research data. The data used in this study are primary data obtained from the results of questionnaires distributed to respondents who use OPPO brand smartphones. The questionnaire or questionnaire used in this study is a closed questionnaire or questionnaire type, because the respondent only needs to mark one of the answers that is considered correct. The number of samples in this study were 80 respondents.

To determine the effect of product quality and promotion on purchasing decisions for OPPO smartphones in this study, multiple linear regression analysis was used. The F test is used to prove the model generated from the regression analysis results. To test the effect of variables individually on the dependent variable, the t test was carried out. To see the extent to which all independent variables can explain the dependent variable, the Coefficient of Determination (\mathbb{R}^2) test was carried out.

RESULT AND DISCUSSION

Table 1. Multiple Linear Regression Analysis Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		В	Std. Error	Beta		
1	(Constant)	4,224	4,301		0,982	0,329
	Product Quality	0,559	0,169	0,494	3,300	0,001
	Promotion	0,335	0,158	0,317	2,120	0,037
a. Dependent Variable: Y						

Source: Data proceed 2023

From the results of data processing for Multiple Linear Regression as shown in table 1. The relationship model with these variables can be arranged in the following function or equation:

$$Y = a + b1X1 + b2X2$$

From table above, it can be seen that product quality and price with 80 respondents. Then the multiple linear regression equation is known as follows:

$$Y = 4,224 + 0,494 + 0,317$$

From the above equation, it can be seen that if the product quality and price are 0 units, the purchase decision is 4.224 units. If the product quality increases by 1 unit, the purchasing decision will increase by 0.494 units. If the price increases by 1 unit, the purchasing decision will increase by 0.317 units.

Partial Test (t test)

Testing with the t-stat test is used to test the effect of independent variables individually on the dependent variable. Based on table 1, it can be seen from partial hypothesis testing, namely: (a) Product quality with a t-hit value of 3.300 and a t-tab value of 1.665 so that t-hit> t tab or 3.300> 1.665 and a significance level of 0.01 < 0.05, which means that product quality partially has a positive effect on purchasing decisions for OPPO smartphones case studies on STIM Budi Bakti students. (b) Promotion with a t-hit value of 2.120 and a t-tab value of 1.665 so that t-hit> t-tab or 2.120> 1.665 the significance level is 0.037 < 0.05, which means that promotion partially affects the purchase decision of OPPO smartphones case study on STIM Budi Bakti students.

Simultaneous Test (F Test)

Tabel 2. Annova X1 and X2 on Y

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7299,165	2	3649,582	72,851	.000 ^b
	Residual	4358,391	87	50,096		
	Total	11657,556	89			

Source: Data proceed 2023

Based on the estimation results in table 4, it shows that the F-hit value is 72.851 while the Ftab is 3.12 with a numerator df =2, denominator df =77 and a significant level α =0.05 so that Fhit> F-tab. Thus there is a significant influence between product quality and promotion simultaneously or together on purchasing decisionsOPPO Smartphones (Case Study of STIM Budi Bakti students).

Coefficient of Determination (R²)

The coefficient of determination (R^2) is useful for measuring how much the role of the independent variables (product quality and promotion) together explains the changes that occur in the dependent variable (purchase decision). For more details, it can be seen in table 5.16 below:

Tabel 3. Coefficient of Determination

Model	R	R	Adjusted R	Std. Error of theEstimate
		Square	Square	
1	0,791a	0,626	0,618	7,078

Source: Data proceed 2023

From table 5, it is known that the coefficient of determination (Adjusted R Square) is 0.618 or 61.8%, this means that 61.8% of the purchasing decision variables can be explained or influenced by the product quality and promotion variables. While the remaining 38.2% is influenced by other variables not examined in this study.

Discussion

Product quality has an influence on purchasing decisions. According to Kotler and Armstrong (2003), the ability of a product to demonstrate its function, it includes overall durability, reliability, accuracy. Product quality can also mean a physical condition, properties, and functions of products in the form of both service products and products in the form of goods. With reference to product quality indicators such as performance, features, reliability, conformance, durability, service (ability), aesthetics and perceived quality. So product quality is one of the factors to determine the choice of consumers, with guaranteed product quality, it increases consumer confidence in the product itself. From the results of the analysis of this study, the product quality variable is considered important by respondents, this can be seen from the respondents' responses about product quality. This is also in line with the results of regression analysis and partial testing (t test) of product quality variables which show that product quality has a positive and significant value on OPPO Smartphone purchasing decisions (Case Study of STIM Budi Bakti Students). The results of this study are in accordance with research conducted by Purwidyantini, et al (2023) with the research title of the effect of product quality and promotion on purchasing decisions. Stating that the results of the study show that product quality is a variable that affects the purchasing decision variable.

Promotion has an influence on purchasing decisions. According to Warnadi and Triyono (2019:) promotion is a marketing activity that seeks to disseminate information, influence or persuade, and remind the target market, of the company and its products to be willing to accept, buy, and be loyal to the products offered by the company concerned. Promotion carried out in the sales process is a key element for the company's campaign. Promotion is a communication carried out by marketers to inform and remind potential customers to buy the products or services offered. From the results of the analysis of this study, the promotion variable is considered important by respondents, this can be seen from the respondents' responses regarding promotion. This is also in line with the results

of regression analysis and partial testing (t test) of promotional variables which show that promotion has a positive and significant value on purchasing decisions for OPPO Smartphones (Case Study of STIM Budi Bakti Students). The results of the study are also in line with research conducted by Prasetya (2020) found that promotion has a positive effect on purchasing decisions at the Jawa Pos Radar Semarang Office. with the research title of the effect of product quality and promotion on purchasing decisions for Jawa Pos newspapers (Case Study at the Jawa Pos Radar Semarang Office). Stating that the results of the study show that promotion is a variable that affects the purchasing decision variable.

Product quality and promotion have an influence on purchasing decisions. In the process of buying and consuming something, consumers first make decisions about what products are needed, when, how and where the purchase or consumption process will occur. Thus the need for a decision-making process to buy something in the form of services or goods. Together, product quality and promotion will affect purchasing decisions, thus increasing product quality and promotion together will increase purchasing decisions. Conversely, a decrease in product quality and promotion together will reduce purchasing decisions. From the results of the analysis, the variables of product quality and promotion are considered important by respondents, this can be seen from the respondents' responses regarding product quality and promotion. This is also in line with the results of regression analysis and simultaneous testing (f test) of product quality and promotion variables which show that product quality and promotion have a significant influence on purchasing decisions for Oppo smartphones (Case Study on STIM Budi Bakti Students). The results of this study are in accordance with research conducted by Purwidyantini, et al (2023) with the research title of the effect of product quality and promotion on purchasing decisions. Stating that the results of the study show that product quality and promotion are variables that affect the purchasing decision variable. And also in line with also in line with research conducted by Prasetya (2020) found that promotion has a positive effect on purchasing decisions at the Jawa Pos Radar Semarang Office. with the research title of the effect of product quality and promotion on purchasing decisions for Jawa Pos newspapers (Case Study at the Jawa Pos Radar Semarang Office).

CONCLUSION

The results of the product quality variable t test with a t-hit value of 3.300 and a t-tab value of 1.665 so that t-hit> t-tab or 3.300> 1.665 and a significance level of 0.01 <0.05, which means that product quality partially has a positive effect on purchasing decisions for OPPO smartphones (Case study on STIM Budi Bakti students). The results of this study are in accordance with research conducted by Purwidyantini, et al (2023) which states that the results of the study show that product quality and promotion are variables that affect the dependent variable, namely purchasing decisions.

The results of the t test of the promotion variable with a t-hit value of 2.120 and a t-tab value of 1.665 so that t-hit> t-tab or 2.120> 1.665 the significance level is 0.037 <0.05, which means that promotion partially affects the OPPO smartphone purchase decision (Case study on STIM Budi Bakti students). The results of this study are in accordance with research conducted by Prasetya (2020) which states that product quality and promotion have a positive and significant effect on purchasing decisions.

The results of the F test simultaneously show that the F-hit value is 72.851 while the F-tab is 3.12 so that F-hit> F-tab. This means that product quality and promotion simultaneously or together have an effect on OPPO smartphone purchasing decisions (Case study on STIM Budi Bakti students). The results of this study are in accordance with research conducted by Purwidyantini, et al (2023) which states that the results of the study show that product quality and promotion have a positive and significant effect on purchasing decisions.

Based on the coefficient of determination (R2) table, it states that the influence of the independent variables (product quality and promotion) affects the dependent variable

(purchase decision). Today the results of the study can be seen that the Adjusted R Square value of 0.618 or 61.8% means that product quality and price have a significant effect on OPPO smartphone purchasing decisions (Case study on STIM Budi Bakti students).

The Oppo company needs to improve the product quality of various types of Oppo smartphones by conducting product design tests, testing product sophistication and features before reaching consumers, especially consumers who are already loyal to Oppo smartphones. The Oppo company needs to increase promotions regularly, to attract and inform consumers about new products or old products issued so that consumers are interested in buying them. Oppo needs to do good and regular promos to increase consumer brand awareness. Researchers propose to the company that a form of promotion with informative purposes when issuing a new release is carried out within a period of 3-4 months, then the company needs to carry out promotions with reminder or Strengthen purposes within a period of 4-6 months. This is done to build consumer awareness of the product brand through electronic or print media promotions. In addition, positive word of mouth marketing is also needed to build strong brand awareness.

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