

THE EFFECT OF PRICE ON THE DIVERSITY OF PRODUCTS ON PURCHASE DECISIONS

Ayu Pipit Nurhayati

Universitas Langlangbuana, Indonesia*

ayupipitnur@gmail.com

Abstract: Leather shoes are shoes that in modern times are not only used for formal events, but these time leather shoes are also used as a trend of modern shoes that can be worn at any time, such as college, hang out or work. The amount of creativity of young people who are ready to take risks to increase the trend of leather shoes by creating various types of businesses, from many businesses, one of which is Portee Goods. This study aims to empirically examine the effect of price and product diversity on purchasing decisions for leather shoes at Portee Goods. The sample used in this study is online consumers who buy oxford-type leather shoes who are male also have their own income or are in working status. This sample is done using the Non-Probability Sampling method. Data collection was carried out using a questionnaire distributed as many as 88 questionnaires. The statistical method uses path analysis (Path Analysis), by testing the hypothesis of the parsial statistical test (t-test) and simultaneous (f test). The results of this study indicate that price and product diversity significantly influence the purchasing decision of oxford type leather shoes at Portee Goods.

Keywords: Price, Product Diversity, Purchasing Decisions

INTRODUCTION

The creativeness of young people in developing business has led to various types of businesses, one of which is in the field of leather shoes, in running the business, the business of leather shoe business must involve its market position well. Creating comfortable and stylish shoes becomes homework played by business people. The more innovative the shoemaking will create a variety of added values, not only functions as footwear, fashion has been approved for self-improvement. One reason leather shoes are starting to trend among manufacturers is that leather raw materials can be used as a strategy for using prices in the market. Many young creatives are ready to take risks to improve leather shoe trends with a variety of businesses, of which many businesses one of them is Portee Goods.

Portee goods as a startup provider of artificial leather shoes that can be customized according to the wishes of consumers. The phenomenon of the custom-made leather shoe business in Indonesia is not more concerned with quality than the services offered abroad

such as Trickers from the UK, although custom-made leather shoe services made in foreign countries certainly have an expensive price. Another salient problem is the similarity of design that consumers want is not in line with expectations with the results of shoes that have been made. This study discusses the importance of price and product diversity on purchasing decisions for leather shoes at Portee Goods,

According to Kotler and Armstrong in Abddurahman (2015) who agree on the price is the amount of money billed, for several products/services, or calculates the value exchanged by the buyer to benefit and use or use the product and service.

Product diversity represents a collection of products and goods that certain sellers offer to buyers (Kotler, Keller 2016: 402).

According to Shiffman and Kanuk in Abddurahman (2015: 43), a purchasing decision is a buyer's decision to buy or not buy a product or service that is an important choice for marketers. The consumer purchasing decision process consists of five stages.

In marketing its products, in addition to having to set a good price and following quality, can attract consumers to become loyal consumers in buying products offered by the company, and also, companies must be able to make strategies in attracting consumers. One of the factors that can influence consumer purchasing decisions with product variations.

Product price and diversity have a very important role in influencing product purchasing decisions. If consumers deserve respect and decide to buy products offered by the company, then I will wait until after the product purchase. Satisfied dissatisfaction with consumers in purchasing products will be one way to increase or increase product purchases. The more consumers will see the price of the purchase according to consideration, the more expensive the price and the greater diversity of offers offered, in other words, the greater the purchase decision will be made.

METHODS

The population of this study is online buyers of oxford type leather shoes offered by Portee Good. The sampling technique used is Non-Probability Sampling. Non Probability Sampling is a sampling technique that does not provide the same opportunities/opportunities for each participant who has not been selected to be a sample member using accidental samples.

According to Sugiyono (2017: 85), accidental sampling is a sampling

technique based on thought, that is, anyone who is questioned by researchers can be used as a sample if seen by the person being asked is found as a source of data. Sampling in this study is consumers who buy/buy oxford-type leather shoe products available online at Portee Goods.

This study determined by the iteration method because of the relatively large amount and the hypothesis technique used is path analysis. In this study, the sample size is determined by a statistical test that can be determined through a minimum sample size. Based on calculations, the minimum sample size obtained in this study was 88 respondents. The sample is based on this study, the sample in this study was 88 Consumer Goods Portee.

Determination of respondents in this study are:

1. Male consumers who have been issued 18 years and over
2. Consumers who already earn or work
3. Consumers who have bought Portee Goods leather shoes
4. Consumers who buy Oxford Portee type products
5. Consumers who buy Portee Goods leather shoe products via Online
6. Consumers who know other brands or products of leather shoes
7. Consumers involved are involved in research

RESULTS AND DISCUSSION

Table 1. Direct Effects and Indirect Effects of Variables X1 and X2 on Y variables

Variable	Direct Influence	Indirect Influence			Total Influence
		X ₁	X ₂	Total	
Price	21,4%		15,4%	15,4%	36,8%
Product Diversity	26,8%	15,4%		15,4%	42,2%
Total Influence X ₁ and X ₂ on Y					79,0%

Source: data that has been processed by the author (2019)

The price variable (X1) has a direct influence of 21.4% and an indirect effect through comparison with Product Diversity (X2) of 15.4% and then the total effect of X1 to Y of 36.8%.

Variable product variability (X2) has a direct effect of 26.8% and an indirect effect through influence with

Price (X1) of 15.4%. Furthermore, the total effect of X1 on Y was 42.2%.

The total influence between Price (X1) and Product Diversity (X2) on the purchase decision (Y) obtained an R² value of 36.8% + 42.2% = 79.0% through acceptable (ϵ 1) or other variables of the purchase decision is 21 0%.

Table 2. SimultanTesting of the Effect of Price Variables and Product Diversity on Purchasing Decisions

Model		ANOVA ^a				
		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9200.081	2	4600.04	100.493	.000 ^b
	Residual	3890.866	85	45.775		
	Total	13090.946	87			

a. Dependent Variable: Purchasing Decisions

b. Predictors: (Constant), Product Diversity, Price

Source: data that has been processed by the author (2019)

Based on the table above, it can be seen that the Fcount is 100,493 and the test is carried out at the probability level (α) 0.05 with df1 = 2-1 and df2 = 88-2, the Ftable value is 3.95, it means Fcount (100.493) More is greater than Ftable (3.95) and has a significance value of 0.000 which means that H0 is rejected.

Among these published variables, the product variable which has a greater influence on purchasing decisions, this is because people are now assessing products based on their security, the more diverse types of products, the

higher the consumer can buy, then the marketing target of the company is to support the upper-middle class, then type in consumers who usually compare products with their tastes based on color, size, design or others. This is also supported by research from Indra Nurrahman which states in his research about product variations have a positive influence on purchasing decisions with the level of relationships that fall into the strong category. This shows that the more positive the product variation on goods, the higher the consumer will decide to buy.

CONCLUSION

Consumer perceptions about the price of oxford type leather shoes in Portee Goods are rated according to either category. Things that are still lacking in the indicator Portee Goods that offer prices that are cheaper than what is supported and the suitability of prices with consumer expectations.

Consumers' perceptions about the differences in the types of leather shoe products at Portee Goods are in a good category. It is still lacking in indicators of varying product quality levels and varying types of product types.

Consumer perceptions about decision making about purchasing oxford shoes in Portee Goods are rated according to good category. This is still lacking in the indicators of purchases that will be carried out continuously and the level of the decision making process.

REFERENCES

- Abdurrahman. N. H. (2015). Manajemen Strategi Pemasaran. Bandung: CV Pustaka Setia.
- Kotler & Keller. (2016). Marketing Management, 15 edition: Pearson education.
- Sugiyono. (2017) . Metode penelitian Kuantitatif, Kualitatif, dan R&D. bandung: Alfabeta, CV.