The Influence of Product Quality and Promotion on Consumer Purchase Decisions

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Abstract: The research entitled The Influence of Product Quality and Promotion on Purchasing Decisions is a study of how big the influence of the quality of the products produced by the company and the promotional activities carried out to support marketing, resulting in purchasing decisions made by consumers. This research uses a descriptive and verification research design, with quantitative testing research methods. Descriptive analysis in this research uses continuum line analysis and verification analysis uses path analysis. The results of the analysis show that the quality of the products produced by the company is in the moderately improved category, this is supported by promotional activities carried out by the company which are considered quite good by respondents. Judging from the relationship and the magnitude of the influence between the variables studied, it shows that the quality of the product and promotions, both simultaneously and partially, have a positive relationship and have a significant influence on consumer purchasing decisions. Of the two variables studied, product quality has a greater influence than promotion on consumer purchasing decisions.
Keywords: Consumer Purchase Decisions; Product quality; Promotion

INTRODUCTION

The city of Bandung is famous as a complete city tourist destination besides other areas in West Java, where tourists who come can be entertained with various activities, ranging from Sundanese cultural attractions, destinations, interesting shopping locations, inspiring city atmosphere, and culinary delights. The existence of traditional food is a business opportunity that can be exploited by innovating without losing its original taste. One of the traditional foods that is currently popular and widely developed in the city of Bandung is aci meatballs. Aci meatballs are a typical culinary dish from Garut City which is special among foodies because it provides a new sensation in eating meatballs which are slightly different from ordinary meatballs (www.inspirasipagi.id, 2022). The following is a list of Aci meatball outlets in Bandung City:

Table 1. List of Baso Aci Brand Names in Bandung City

No	Place name	Address
1	Bakso Aci Mas Jay	Jl. Pahlawan No.43, Bandung
		Jl. Banteng No.70, Bandung
		Jl. Lurah No.169, Cimahi
2	Bakso Aci Ganteng	Jl.Japati, Lebakgede, Bandung
3	Bakso Aci Neng Geulis	Jl. Melong Asih No.17 Melong, Kec. Cimahi Selatan
4	Bakso Aci Kurud	Jl. Ambon No.11-15, Citarum, Bandung wetan, Kota Bandung
5	Bakso Aci Bayong	Jl. Jawa No.32, Merdeka, Sumur Bandung
6	Bakso Aci "GM"	Jl. Jawa No.32. Merdeka, Bandung
7	Bakso Aci Bonitos	Jalan Raya Ciwastra No.137, Margasari, Buah Batu
8	Bakso Aci Assoy Geboy	Jl. Sukabumi Dalam No.38, Batunggal, Kota Bandung
9	Bakso Aci Mamih	Jl. Mekar Sari 1 No.12, Sukamiskin, Kota Bandung
10	Baso Aci Tulang Sijopren	Jl. A.H. Nasution No.481, Cipadung, Cibiru, Kota Bandung

Source: Data Processing Results (2022)

Based on the data in Table 1, shows that there are a large variety of meatball aci products in the city of Bandung so consumers are faced with various product choices offered by each company. In this competitive situation, the company's main goal is to find competitive advantages that can cause the company to have superior performance (Herman, 2017).

Superior performance is a measure of the success of the activities carried out by the company, and this can be reflected in the number of purchases made by consumers of the product. According to Tjiptono (2018) Purchasing decisions made by consumers are influenced by various variables in marketing, the more precise the marketing strategy is, the higher the performance will be. Product quality and promotion are two marketing variables that are thought to greatly influence consumer purchasing decisions.

According to Aditya et al. (2021), product quality and promotion have a simultaneous or partial influence on purchasing decisions. The same thing is the opinion of Fatmaningrum et al. (2020) that based on the results of their research on frestea products, they show that product quality and brand image influence the decision to purchase frestea. This is reinforced by the results of research conducted by Garib et al. (2019) and Solihin (2020). The dominant factors that influence consumer behavior in purchasing decisions for a product include the promotional mix (Tambunan, 2019).

METHODS

The research design used in this research is descriptive and verification. This type of research is quantitative, namely research that emphasizes testing theories through measuring research variables with numbers and analyzing data using statistical procedures (Arikunto, 2019). Data sources consist of primary data obtained by distributing questionnaires to respondents as well as secondary data obtained: (1) viewing data on the web; (2) job descriptions; (3) literature.

The population in this research were all consumers of baso aci neng geulis in the city of Bandung. In determining the research sample using an iterative formula, 88 respondents were obtained. The sampling technique used is the accidental sampling technique. The analytical methods used include (1) descriptive analysis, namely descriptive analysis using continuum lines; (2) verification analysis using Path Analysis (Purnomo, 2020).

RESULTS AND DISCUSSION

Descriptive Analysis

The Product Quality variable in this study was measured using twelve statement items submitted to buyer respondents in Baso Aci Neng Geulis. The following are the results of the analysis which are depicted using the continuum line below:
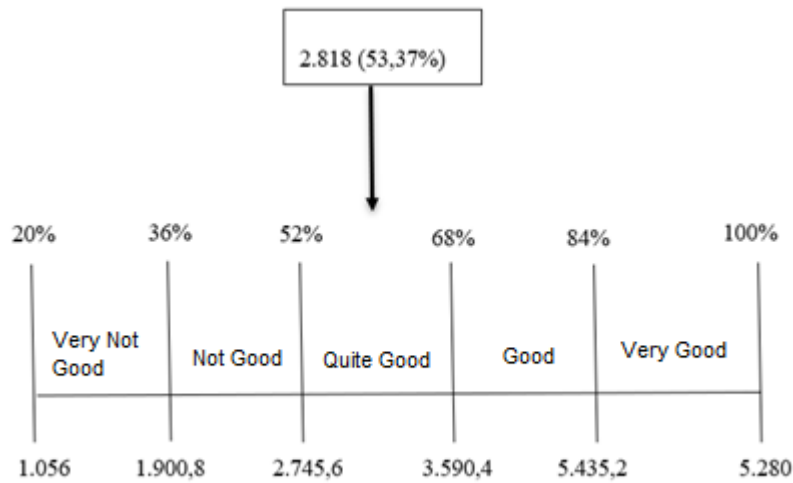
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Figure 1. Continuum of Respondents' Responses to Statements about Product Quality
Source: Data Processing Results (2022)

Based on the analysis results, shows that the actual score obtained by the Product Quality variable is 2,818 or 53.7%. If we look at the continuum line, the score is included in the quite good category, this shows that the product quality of Baso Aci Neng Geulis is at the average quality of Baso Aci products in general.

Respondents' responses to promotions carried out by the Baso Aci Neng Geulis Company, if we look at the results of all the answers, we can see them in the figure below:
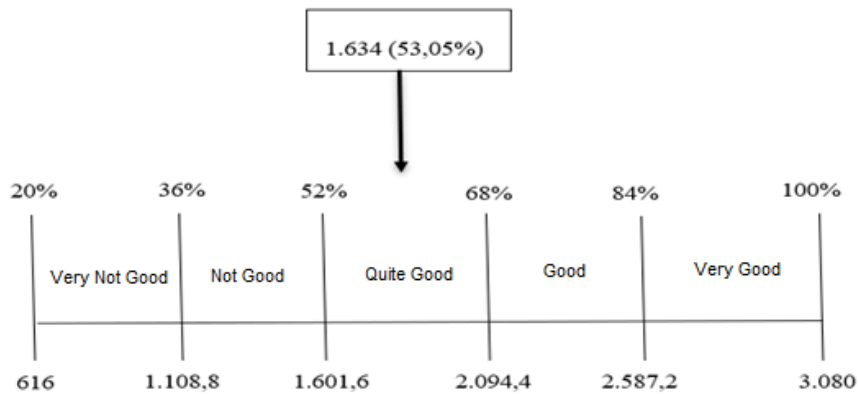

Figure 2. Continuum of Respondents' Responses to Promotions
Source: Data Processing Results (2022)

Based on previous information, it can be seen that the actual score obtained by the Promotion variable is 1,634 with a score percentage of 53.05%. This value is in the interval class 1,601.6 – 2,093.4 or 52%-67% so it is included in the quite good category, this shows that the Promotion at Baso Aci Neng Geulis is quite good. This is the case with respondents' responses regarding consumer purchasing decisions, which can be seen in the following figure:
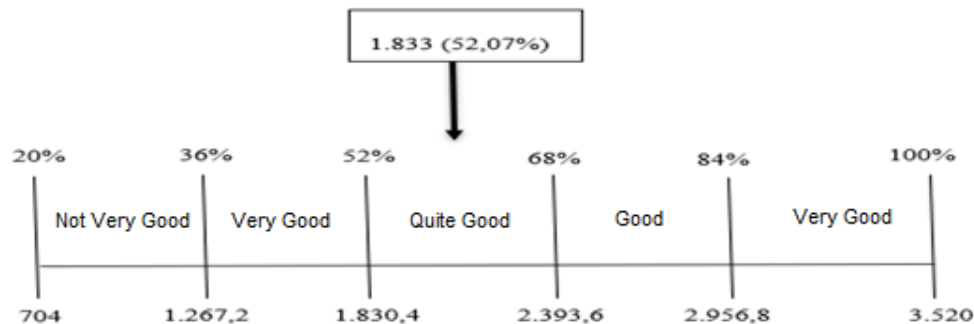

Figure 3. Continuum Line of Respondents' Responses to Consumer Purchasing Decisions
Source: Data Processing Results (2022)

The score obtained is 1,833 if we look at the continuum line, it is in the quite good category, from the three variables in this research descriptively the results show quite good conditions. Thus, the company needs to re-evaluate the company's activities in conducting its business because this has an impact on purchasing decisions that are not yet optimal.

Verification analysis
Path analysis is a verification analysis used to analyze the closeness of relationships between variables, the magnitude of the influence of variables both partially and simultaneously as well as testing hypotheses of research variables. The results of the analysis show that the coefficient value for variables X1 and Y (ρYX1) is 0.642, this illustrates that the closeness of the relationship is in the strong category and the relationship between variables X2 with Y (ρYX2) of 0.273, this illustrates that the closeness of the relationship is in the low category. Then the magnitude of the simultaneous influence between variables X with Y of 80.10% consists of the influence of product quality at 57.00% and promotion at 23.3% and its remaining 19.90% is influenced by other factors that are not studied. The influence of the relationship between variables can be seen in the picture below:
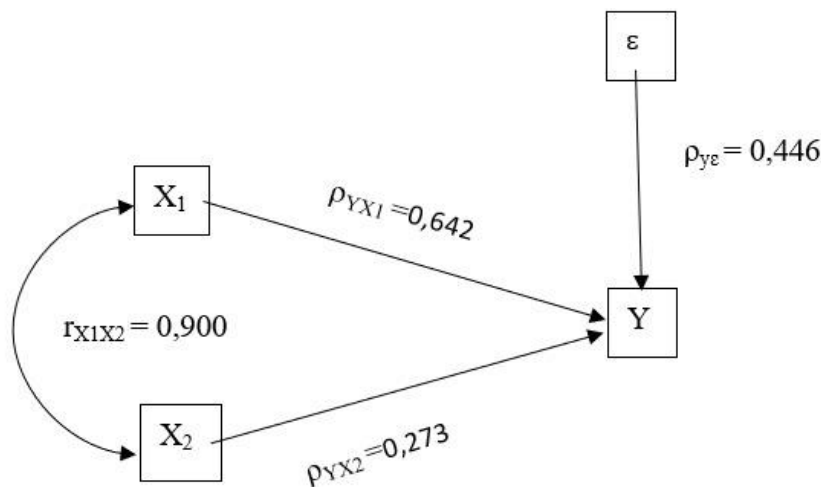
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Figure 4. Path Analysis Structure
Source: Data Processing Results (2022)

Hypothesis testing
Next, partial hypothesis testing is carried out (t-test).
Testing hypotheses X_1 and X_2

H_0: ρ_{YX1} dan $\rho_{YX2}= 0$:   Product quality and promotions do not affect on consumer purchasing decisions

H_1: ρ_{YX1} dan $\rho_{YX2} \neq 0$:   Product quality and promotions influence consumer purchasing decisions

The criteria for partial hypothesis testing are as follows:
If $t_{count} \leq t_{table}$, then H0 is accepted and H1 is rejected
If $t_{count} > t_{table}$, then H0 is rejected and H1 is accepted

Hypothesis testing calculations are carried out using the following statistical tests:

$$t = \frac{\rho_{YX_i}}{\sqrt{\frac{(1 - R^2_{YX1X2})CR_{ii}}{(n - k - 1)}}}$$

The influence of product quality on consumer purchasing decisions is obtained by carrying out the t-test analysis as follows:

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$$t = \frac{\rho_{YX_i}}{\sqrt{\frac{(1-R^2_{YX_1X_2})CR_{ii}}{(n-k-1)}}}$$

$$t_{count} = \frac{0,642}{\sqrt{\frac{(1-0,803)(5,263)}{(88-2-1)}}}$$

$$t_{count} = 5,813$$

Based on the results of the analysis, it shows that the variable t value of the influence of product quality on what is obtained is 5.813. This value will be compared with the t_{table} value in the t distribution table, with a = 0.05, df = n–k-1; 100-2-1 = 97, for the two-sided test it is obtained 1.987, thus $t_{count} > t_{table}$. Based on the hypothesis testing criteria, H0 is rejected and H1 is accepted, meaning that product quality (X1) influences consumer purchasing decisions (Y) for aci neng geulis baso products in Bandung City.
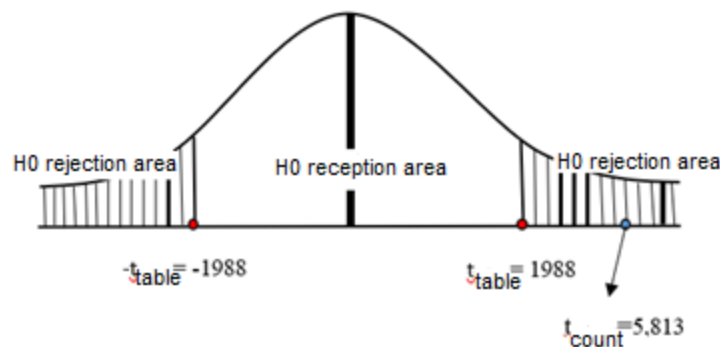

Figure 5. Hypothesis Test Curve X$_1$
Source: Data Processing Results (2022)

The influence of promotions on consumer purchasing decisions is obtained by carrying out the t-test analysis as follows:

$$t = \frac{\rho_{YX_i}}{\sqrt{\frac{(1-R^2_{YX_1X_2})CR_{ii}}{(n-k-1)}}}$$

$$t_{count} = \frac{0,273}{\sqrt{\frac{(1-0,803)(5,263)}{(88-2-1)}}}$$

$$t_{count} = 2,472$$

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Based on the results of the analysis, it shows that the variable t value of the influence of product quality on what is obtained is 2.472. This value will be compared with the ttable value in the t distribution table, with a = 0.05, df = n–k-1; 100-2-1 = 97, for the two-sided test it is obtained 1.987, thus tcount > ttable. Based on the hypothesis testing criteria, H0 is rejected and H1 is accepted, meaning that partial promotion (X2) influences consumer purchasing decisions (Y) for aci neng geulis meatball products in Bandung City.
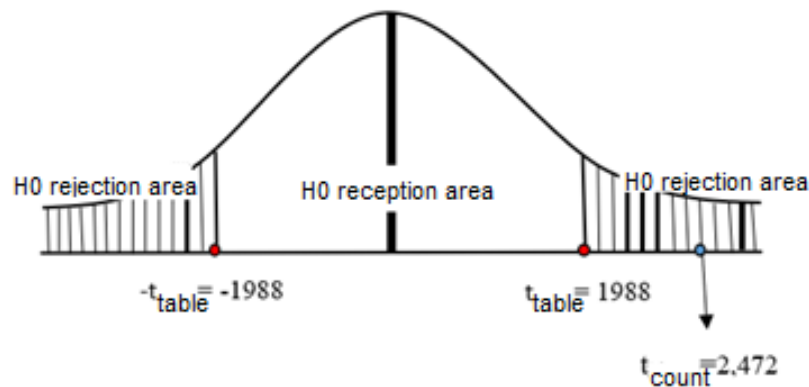

Figure 6. Hypothesis Test Curve X_2
Source: Data Processing Results (2022)

Simultaneous hypothesis testing (F-Test)
The results of F_{count} are compared with F_{table} with the If criterion
$F_{count} \leq F_{table}$, then H0 is accepted and H1 is rejected. If
$F_{count} > F_{table}$, then Ho is rejected and H1 is accepted.

Hypothesis testing calculations are carried out using the following statistical tests:

$$F = \frac{(n-k-1)12^2_{YX1X2}}{k\left(1-R^2_{YX1X2}\right)}$$

$$F = \frac{(88-2-1) \; X \; 0,803}{2(1-0,803)}$$

$$= 173,236$$

The calculated F value obtained is 173.236. This value will be compared with the F_{table} value in the F distribution table. With a = 0.05, db1 = 2 and db2 = 97, the F_{table} value is 2.72. The F_{count} value of 173.236 > F_{table} 2.72 follows the hypothesis testing criteria that H0 is rejected and H1 is accepted, meaning that simultaneously Product Quality (X_1) and Promotion (X_2) influence Consumer Purchasing Decisions (Y) on baso aci neng geulis in Bandung City. The curve of the F_{count} and F_{table} values can be described as follows:

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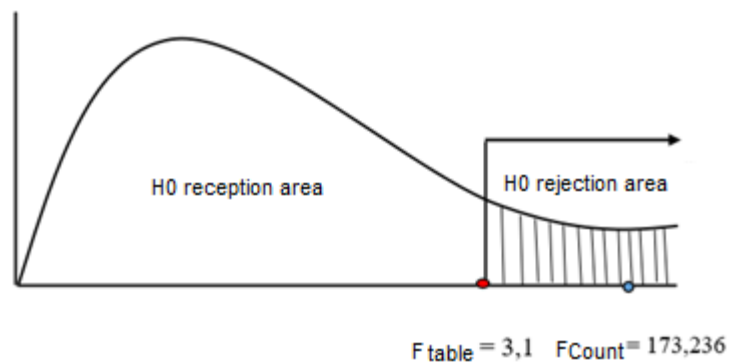

F table = 3,1   FCount = 173,236

Figure 7. Hypothesis Test Distribution Curve (F-Test)
Source: Data Processing Results (2022)

Based on the results of the hypothesis test analysis, it shows that both partially and simultaneously, product quality and promotion variables significantly influence consumer purchasing decisions for aci neng geulis meatballs.

CONCLUSION

The conclusions that can be drawn from the results of this analysis are that: the quality of the products and promotions carried out by Baso Aci Neng Geulis is included in the criteria of being quite good. This is supported by the respondents' responses to product quality indicators, the average respondent stated that these indicators are included in the quite good category so this is input to the company that is competing to win consumers for products with many substitute goods, product quality must be paid attention to. This is the case with the promotions carried out, the company must be more aggressive in carrying out promotions to introduce, persuade, and influence consumers to want to buy the products they produce.

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