

## The Influence Of Products, Prices And Promotions On The Purchase Decision Of Avitex Paint In Cibinong District, Bogor Regency

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**ABSTRACT:** The purpose of this study was to determine the effect of product (x1), price (x2) and promotion (x3) on purchase decisions (Y) avitex paint in the cibinong district. Creativity and innovation of entrepreneur from company will thought to find the new better opportunity. the research questions of this research for find out variables from X1, X2, X3 influence Y as either partially or simultaneously, the most influential variable to purchase decision and the magnitude of the product variable, price and promotion explained variable of purchase decision.

This research method use causality method which aims to know in depth and holistic between cause and effect relationships to find out how does the correlation from the variable and its problem toward research objectives. The Data collection use close ended questionnaire techniques shared with 100 participants addressed to consumers.

Based on test show that X1 variable with Sig > 0,1 point that H0 accepted and H1 rejected, which means X1 variable there has no significant influence on the purchase decision avitex paint in the cibinong districts. While X2 and X3 variable < 0,1, that H0 rejected and Ha accepted, which means X2 and X3 variable there is significant influence as partially to purchase decision of avitex paint in the Cibinong districts. Based on f test showed that point of sig is 0,000 F table 2,14 that it can be concluded that there is significant influence Simultaneously or together between X1, X2, and X3 to Y variable. the value of the coefficient of determination showed that product variable, price, and promotion can explained purchase decision variable of 53,9%. Whereas the rest is 46,1% be affected By other factors not involved in this research model.

**KEYWORDS-**Product, Price, Promotion, purchase decision.

### I. INTRODUCTION

Business competition is one of the big risks that must be faced by business people in the era of globalization. Because the desire to run a business at this time is very large even a lot of people are running a business in the same field. Of course, this is a challenge for owners, because creativity and innovation also continue to grow along running time. Business competition occurs because there is someone who runs a business in the same field. A competitor can arise because he finds a gap to enter and create a product or service that is superior to the existing one and can better meet consumer needs better.

Competition in the paint industry is a growing business at this time. The development of the property world in Indonesia, the faster the development of the paint business in Indonesia and the emergence of new competitors in the paint industry. In addition to having a function as an aesthetic, paint also functions as a protector. The functions of the protector include protecting the building against fungus attacks, hot weather, rain and others.

Business competition can be caused by a lack of strategy and other factors, including in determining promotions. What does that have to do with promotion? Promotion is an important thing in running a business. Having an attractive promotional method or strategy can make it easier for business people to sell their products or services.

Quality factor is one of the determinants of the level of decisions obtained by consumers after making a purchase of a product. The better the quality of the products sold, the more impactful on buyer decisions.

According to Kotler and Keller (2002), purchasing decisions are actions from consumers to want to buy or not to the product. Purchasing decisions are also a process in which consumers pass through five stages, namely problem recognition, information search, evaluation of alternatives, purchase decisions, and post-purchase behavior, which begins long before the actual purchase is made and has a long after impact. Of the various factors that influence consumers in purchasing a product or service, usually consumers always consider the quality, price and products that are already known to the public before the customer decides to buy a product or service.

### II. LITERATURE REVIEW

#### 2.1 Product

Product is everything that the company is able to produce either in the form of goods or services to meet and satisfy

consumer needs, as well as an operational tool for the company to achieve its targets and objectives. According to Kotler and Keller (2009: 4), a product is anything that can be offered to a market to satisfy a want or need, including physical goods, services, experiences, events, people, places, properties, organizations, information, and ideas. Meanwhile, according to Buchari Alma (2007:139) that "a product is a set of attributes, both tangible and intangible, including color, price, good name, and factory services and retail services received by buyers to satisfy their desires." Based on some of the definitions above, it is known that the product is a set of attributes and includes all product identities that can be offered to the market, to be noticed and then owned, used or consumed to satisfy consumer wants and needs. The product is one of the main components or the most needed in a transaction in the market.

### 2.2 Prices

Price is an agreed value that is a condition for exchange in a purchase transaction. Price is the value of an item or service as measured by the amount of money spent by buyers to buy a product or service.

According to (Philip Kotler, 2008: 345) Price is the amount of value or money charged for a product or service for the amount of the value that consumers exchange for price benefits which have become an important factor influencing buyer choice, this applies in poor countries. , however, non-price factors have become more important in buyer choice behavior in this decade (10 years). In the narrowest sense, price (price is the amount of money spent on a product or service. Price is the amount of money charged for a product or service, or the amount of value that consumers exchange for the benefits of having or using the product)or services (Kotler and Armstrong, 2010:314).

Mistakes in setting prices can have many consequences. Pricing actions that violate ethics can cause owners to be unattractive to buyers. In fact, buyers can react that can bring down the image of the seller, if the price authority is not with the owners but lies with the government's obligation, then setting a price that is not desired by the buyer (in this case some people) can result in a rejection reaction by many. people or some groups, the rejection reaction can occur in various actions that lead to violence that violates legal norms.

The price of a product or service is the main determinant of market demand, the price affects the position of competitors and the share or market share of the company. Therefore, prices have a major influence on revenue and net income.

### 2.3 Promotion

Kotler (2000:281) states that promotional activities are marketing efforts that provide various short-term intensive efforts to encourage the desire to try or buy a product or service. Meanwhile, according to Swatha and Irawan (2005:349) promotion is a one-way flow of information or persuasion to direct an individual or organization to actions that create exchanges in marketing. Short-term incentives to encourage the purchase or sale of a product or service (Kotler, 2010:173).

According to Tjiptono (2015, p.387) Promotion is an element of the marketing mix that focuses on efforts to inform, persuade, and remind consumers of the company's brands and products. Meanwhile, according to Buchory and Saladin in Aris Jatmika Diyatma (2017) Promotion is one of the elements in the company's marketing mix that is utilized to inform, persuade, and remind about the company's products.

### 2.4 Purchase Decision

According to Kotler (2009), the buying decision is: "several stages carried out by consumers before make a decision to buy a product". Purchasing decisions are consumer behavior that reflects purchasing decisions (Suryadi and Hutomo, 2010).

Purchase decision making is the process of problem identification, information search, evaluation, and selection of alternative products, selection of distribution channels and implementation of decisions on products to be used or purchased by consumers (Munandar, 2001). Purchasing decision is a decision stage where consumers actually make a purchase of a product (Kotler and Keller) which are switched languages by Tjiptono, 2012: 193).

### 2.5 Hypothesis

The hypothesis in this study is as follows:

H1: There is an effect of the product on the purchase decision of Avitex paint in Cibinong District, Bogor Regency.

H2: There is an effect of the price on the purchase decision of Avitex paint in Cibinong District, Bogor Regency.

H3: There is an effect of the promotion on the purchase decision of Avitex paint in Cibinong District, Bogor Regency.

H4: There is a partial or simultaneous influence of product, price and promotion on Avitex paint purchasing decisions in Cibinong District, Bogor Regency.

### 2.6 Research Methods

The research method used in this research uses causality methods. This study aims to determine the effect of Product (X1), Price (X2) and Promotion (X3) on the Purchase Decision (Y) of Avitex paint in Cibinong District. The variables in this study are the independent variable and the dependent variable. This research was conducted in building shops at Cibinong District, Bogor Regency. This research was conducted from January 2021 to June 2021.

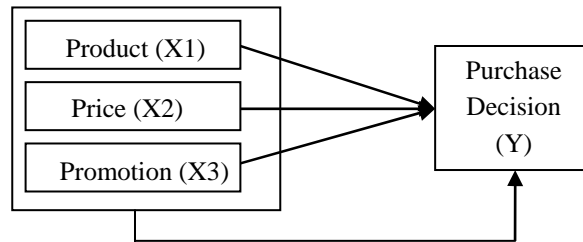


Figure 3.1 Research Model

The population in this study were consumers who purchased Avitex paint in Cibinong District, Bogor Regency in January-June 2020 with a total population of 4,358 consumers. The sample in this study were 100 consumers who purchased Avitex paint in Cibinong District, Bogor Regency.

The data analysis technique in this study uses Validity Test, Reliability Test, and Hypothesis Test (t test, f test, R2 Determination Coefficient Test)

### III. DISCUSSION&RESULT

#### 3.1 Validity Test

Indicator	r count	r table	Information
<b>Product (X1)</b>			
Question 1	0.801	0.165	Valid
Question 2	0.704	0.165	Valid
Question 3	0.741	0.165	Valid
Question 4	0.692	0.165	Valid
<b>Price (X2)</b>			
Question 5	0.768	0.165	Valid
Question 6	0.759	0.165	Valid
Question 7	0.783	0.165	Valid
Question 8	0.560	0.165	Valid
Question 9	0.631	0.165	Valid
<b>Promotion (X3)</b>			
Question 10	0.649	0.165	Valid
Question 11	0.732	0.165	Valid
Question 12	0.788	0.165	Valid
Question 13	0.834	0.165	Valid
<b>Purchase Decision (Y)</b>			
Question 14	0.576	0.165	Valid
Question 15	0.621	0.165	Valid
Question 16	0.763	0.165	Valid
Question 17	0.664	0.165	Valid
Question 18	0.789	0.165	Valid
Question 19	0.812	0.165	Valid

Table 3.1 Validity Test

Based on the table 3.1 above, it shows that after the validity test is carried out, it is obtained the value of the correlation coefficient r count indicators Product (X1), Price (X2), Promotion (X3), and Purchase Decision (Y) is positive. While r table at the significance level = 0.1 obtained the value of r table = 0.165. So it can be said that the Product (X1), Price (X2), Promotion (X3) and Purchase Decision (Y) indicators are valid, because r count > r table.

#### 3.2 Reliability Test

Cronbach's Alpha	N of Items
.907	19

Table 3.2 Reliability Test

From the results of the reliability test above, it can be seen that the value of Cronbach's Alpha is 0.907, the result is > 0.60, it can be concluded that the question instrument is stated to be very reliable.

3.3 TTest

Variable	t count	t table	Sig.	Information
Product (X1)	1,600	1.66	0.113	H0 accepted H1 rejected
Price (X2)	2,771	1.66	0.007	H0 rejected H2 accepted
Promotion (X3)	4,379	1.66	0.000	H0 rejected H3 accepted

Table3.3TTest

To partially test the regression model for each variable, it can be obtained using the t test. The following will explain the test results of each variable partially.

1. The calculated t value for the Product variable (X1) is 1,600 < from the t table value of 1.66. With a significance value of 0.113 > 0.1 a significance value greater than 0.1 indicates that at a significance level of 10% the hypothesis H0 is accepted and H1 is rejected. This means that there is no significant effect between the product and the purchase decision.
2. The calculated t value for the price variable (X2) is 2,771 > from the t table value of 1.66. With a significance value of 0.007 < 0.1 a significance value smaller than 0.1 indicates that at a significance level of 10% the hypothesis H0 is rejected and H2 is accepted. This means that there is a significant influence between price and purchase decisions.
3. The calculated t value for the Promotion variable (X3) is 4,379 > from the t table value of 1.66. With significance value as big as 0.000 < 0.1 a significance value smaller than 0.1 indicates that at a significance level of 10% the hypothesis H0 is rejected and H3 is accepted. This means that there is a significant influence between promotions and purchasing decisions.

From the results of the hypothesis test above, it can be seen that the factors that influence the decision to purchase Avitex paint in Cibinong District are Promotion of 4,379.

3.4 FTest

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	477,910	3	159,303	39,614	.000b
Residual	386,050	96	4.021		
Total	836,960	99			

Table3.4F Test

The test of the effect of the independent variables together on the dependent variable was carried out using the F test. The results of statistical calculations showed the calculated F value = 39.614 with a significance of 0.000 < 0.1. With a significance value below 0.1 and a calculated F value (39.614) > F table (2.14) shows that jointly or simultaneously product, price and promotion factors have a significant influence on Avitex paint purchasing decisions in Cibinong District, Bogor Regency.

3.5 Coefficient Determination (R2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.744 <sup>a</sup>	.553	.539	2005

Table3.5Coefficient Determination (R2)

Based on the table above, it is known that the Adjusted R Square value is 0.539 or 53.9%. The magnitude of the coefficient of determination indicates that the Product (X1), Price (X2) and Promotion (X3) variables are able to explain the Purchase Decision (Y) variable of 53.9%. While the remaining 46.1% is influenced by other factors that are not included in this research model.

IV. CONCLUSION AND SUGGESTION

4.1 Conclusion

1. The product has a t-count value = 1.600 and a significance value = 0.113. These results indicate that the significance value is 0.113 > 0.1, it can be concluded that H0 is accepted and H1 is rejected, meaning that the product variable has no significant effect on the purchase decision of Avitex paint in Cibinong District, Bogor Regency.

2. The price obtained the value of t count = 2.771 and the significance value = 0.007. These results indicate that the significance value is  $0.007 < 0.1$ , it can be concluded that  $H_0$  is rejected and  $H_2$  is accepted, meaning that the price variable has a significant influence on the purchase decision of Avitex paint in Cibinong District, Bogor Regency.

3. The promotion has a t-count value = 4.379 and a significance value = 0.000. These results indicate that the significance value is  $0.000 < 0.1$ , it can be concluded that  $H_0$  is rejected and  $H_3$  is accepted, meaning that the promotion variable has a significant influence on the purchase decision of Avitex paint in Cibinong District, Bogor Regency.

4. Product, Price and Promotion Variables in the F test obtained an F value of 39.614 with a significance of 0.000. Because the value of  $F_{count} 39.614 > F_{table} 2.14$  and a significant value of  $0.000 < 0.1$ , it can be concluded that there is a simultaneous significant effect between Product, Price and Promotion variables on Avitex paint purchasing decisions in Cibinong District, Bogor Regency.

5. Promotion variable is the most influential variable on purchasing decisions with a significance value of  $0.000 < 0.1$ , it can be concluded that the Promotion variable is the most influential and significant variable on the purchase decision of Avitex paint in Cibinong District, Bogor Regency.

6. The results of the Coefficient of Determination ( $R^2$ ) test show the Adjusted R Square value of 53.9%, which means that the Product, Price and Promotion variables can explain the Purchase Decision variable of 53.9%. And the remaining 46.1% is influenced by other factors not included in this study.

### 4.2 Suggestion

Based on the results of the research above, it is expected that the company will further improve and increase promotions by utilize media that has developed rapidly both through print media, electronic media and social media. By increasing attractive promotions and always being present with the latest innovations so that they can attract consumers to repurchase.

In facing business competition in similar business fields, the company is expected to pay more attention to the price set. With affordable product prices, it is one of the things that can attract the attention of consumers. Therefore, it should be correct and precise in setting prices that are balanced with the quality of the products offered and also with competitive selling prices.

For further researchers, it is expected to be able to expand the research by adding other variable indicators such as place, process, person or physical evidence considering that 46.1% can still be explained by other variables not included in this study.

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