



## The Influence of Price, Promotion and Product Quality on Affinois Purchase Decisions

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### ABSTRACT

The purpose of this study was to analyze the effect of price, promotion and product quality on Affinois purchasing decisions partially or simultaneously. The sampling technique was using probability sampling technique with a proportionate stratified random sampling approach, the number of samples in this study amounted to 95 respondents. The method of data analysis used multiple linear regression analysis. Based on the research, it was found that the price and promotion variables partially influence the purchasing decision, while the product quality variable partially has no effect on the purchasing decision. However, simultaneously variables, price, promotion, and product quality affect purchasing decisions. The result of the coefficient of determination is 50.2%, this shows that the variables consisting of price, promotion and product quality affect the purchasing decision variables by 50.2%. While the remaining 49.8% is explained by other variables not examined in this study.

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### 1. INTRODUCTION

Business progress is growing very rapidly making business very easy to develop because using technology can support business progress in any field, for example in the field of promotion, companies can use technology to inform the company's products and services to its consumers (Barras, 1990) (Sugiyono, 2013). The use of this digital technology can be used by all existing business fields, including businesses engaged in the culinary field (Granstrand et al., 1997). The Culinary Business is one of the fastest growing businesses at this time because everyone needs food so the Culinary Business has an unlimited market share because it can reach all circles of society opening new businesses, especially in the Bakery (By-Oleh Khas Medan) field, because every tourist who comes traveling or official workers always come home with some souvenirs (Gustafsson, 2004) (Truninger, 2011).

So that consumers are willing to use the products offered. Purchasing decision is a process that comes from all their experiences in learning to choose, use and even get rid of a product, (Young

et al., 2010) (Akbar, 2019) in the context of purchasing decisions, consumers can choose to buy or not to a product. So that the whole decision is left to the consumer's decision again (Pickett-Baker & Ozaki, 2008).

Customers are company assets. In order to get a lot of customers, of course, we must maintain a rated price so that consumers feel affordable and worth it for the products purchased (Zeithaml et al., 2001). Price is the amount of money charged for a product for the amount of value that consumers exchange for the benefits of having or using the product, (Rumondor et al., 2017) based on interviews with several consumers said in terms of price affordability, the price of Affinois products tends to be higher than competitors but consumers feel it is worth it considering the ingredients used by Affinois are premium materials, for example, one of the ingredients is one of the affinois products, namely lapis legit has three different butter mixes namely blueband, wijsman and corman. So that Affinois proudly and promotes selling products using premium materials at prices that are not too high, so that Affinois consumers are still willing to spend a little more expensive money but can feel the lapis legit, sponge roll with premium quality. Referring to several research results related to price, such as research entitled The Effect of Price and Promotion on Purchase Decisions for Indosat Prepaid Cards, the results obtained that Price has a Positive Effect on Purchase Decisions (Khotimah et al., 2021), then the results of the researcher entitled The Effect of Price, Promotion and Quality of Service on Purchase Decisions in Indomaret In Lumajang District, the results show that the price has no effect on purchasing decisions. (Agustina et al., 2018) These two different research results are very interesting to be studied further to find out how much price plays an important role in influencing purchasing decisions

The research objective is to determine the effect of Price, Promotion and Product Quality on Affinois Purchase Decisions both partially and simultaneously. The benefits of this research are for further researchers. The results of this study are expected to increase understanding of the influence of price, promotion and product quality on purchasing decisions, the results of this study are also expected to contribute as guidelines for further research on purchasing decisions. and enrich knowledge and understanding of marketing. It is used as an effort to apply the theories that have been obtained during lectures by looking at the actual situation in the field. And this research is expected to provide information and references for Affinois parties as evaluation material.

## 2. RESEARCH METHOD

The type of research used in this research is descriptive with a quantitative approach, by describing all the data collected for an objective description of the object (Nassaji, 2015) (Amaratunga et al., 2002). Quantitative research methods can be interpreted as research methods based on the philosophy of positivism, used to examine certain populations or samples, sampling techniques are generally carried out randomly, data collection uses research instruments, data analysis is quantitative/statistical with the aim of testing hypotheses. has been established. (Sugiyono, 2013) The sampling technique that will be used is probability sampling. Probability sampling is a sampling technique that provides equal opportunities for each element or member of the population to be selected as a member of the sample (Alvi, 2016) (Etikan et al., 2016). Simple random sampling is one of probability sampling. Simple random sampling is a technique to get a sample that is directly carried out on the sampling unit. Then each sampling unit as an isolated population element has the same opportunity to be a sample or to represent the population. The formula used to support this research uses the Slovin formula. then obtained the number of samples to be examined as many as 95 respondents (Heckathorn, 2002).

## 3. RESULTS AND DISCUSSION

### 3.1 Descriptive Analysis Results

Descriptive Statistical analysis was conducted to determine the frequency distribution of respondents' answers to the questionnaires that had been distributed.

**a. Price**

From the data analysis of the price variable, the lowest score (minimum) is 1, the highest score (maximum) is 5, and the average value (mean) is 4.4779. This means that the average respondent answered agree with the statement in the questionnaire on the price variable. .

**b. Promotion**

From the promotion variable data analysis, the lowest score (minimum) is 1, the highest score (maximum) is 5, and the average score (mean) is 4.2246. This means that the average respondent answered agree with the statement in the questionnaire on the promotion variable.

**c. Product quality**

From the data analysis of the product quality variable, the lowest score (minimum) is 1, the highest score (maximum) is 5, and the average value (mean) is 4.3821. This means that the average respondent answered agree with the statement in the questionnaire on the product quality variable.

**d. Buying decision**

From the data analysis of the purchasing decision variables, the lowest score (minimum) is 1, the highest score (maximum) is 5, and the average value (mean) is 4.5947. This means that the average respondent answered agree with the statement in the questionnaire on the purchasing decision variable.

**3.2 Test Result Data Quality**

**a. Validity Test**

Based on the results of the validity test, it shows that the 40 statements are declared valid, because the value of  $r_{count} > r_{table}$  is 0.201 so that these statements can be used in research.

**b. Reliability Test**

Based on the results of the reliability test, it shows that the Cronbach Alpha value for all variables in this study is above 0.70. This indicates that this research questionnaire is reliable so that it can be continued to conduct research.

**3.3 Classic Assumption Test Results**

**a. Multicollinearity Test**

**Table 1.** Multicollinearity Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.910	.572		1.592	.115		
PRICE	.282	.078	.355	3.612	.000	.548	1.825
PROMOTION	.399	.092	.430	4.357	.000	.545	1.836
QUALITY PRODUCT	.169	.108	.118	1.563	.121	.932	1.073

Dependent Variable: AVERAGE\_PURCHASE DECISION

Source: Research Results, 2021

Based on table 1 above, it can be seen that the tolerance value of service quality, price and product quality is above the set value of 0.1 and the VIF value of all independent variables is smaller than the determination value of 10. Therefore, the data in this study can be concluded do not have multicollinearity problems.

**b. Normality Test**

**Table 2.** Kolmogorov-Smirnov. Normality Test Results

		Unstandardized Residual	Unstandardized Residual
N		95	95
Normal Parameters <sup>a,b</sup>	Mean	.0000000	.0000000
	Std. Deviation	.22392585	.22716424
Most Extreme Differences	Absolute	.121	.050
	Positive	.070	.039
	Negative	-.121	-.050
Kolmogorov-Smirnov Z		1.180	.491
Asymp. Sig. (2-tailed)		.123	.969

Test distribution is Normal.

Calculated from data.

Source: Research Results, 2021

Based on the data in table 2 above, it can be seen that the value of Kolmogorov-Smirnov is 0.491 and is significant in Asymp. Sig. (2-tailed) of 0.969 above at a significant level of 0.05 or Asymp. Sig. (2-tailed) > 0.05, thus the residuals are normally distributed.

**Table 3.** Glejser Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.750	.366		2.050	.043
1 PRICE	-.039	.050	-.109	-.782	.436
PROMOTION	-.007	.059	-.017	-.119	.906
QUALITY PRODUCT	-.086	.069	-.134	-1.253	.214

Dependent Variable: Abs\_RES

Source: Research Results, 2021

Based on table 3 above, it shows that the significant value of the Price, Promotion and Product Quality variables is above 0.05. So it can be concluded that there is no heteroscedasticity.

**c. Multiple Linear Regression Analysis Results**

Based on data from 95 respondents, after testing using SPSS 20, the multiple linear regression equation is as follows:

**Purchase decision = 0.910 + 0.282 Price + 0.399 Promotion + 0.169 Product Quality**

**d. Hypothesis testing**

**Table 4.** t-Test Results (Partial Test)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.910	.572		1.592	.115		
PRICE	.282	.078	.355	3.612	.000	.548	1.825
PROMOTION	.399	.092	.430	4.357	.000	.545	1.836
QUALITY PRODUCT	.169	.108	.118	1.563	.121	.932	1.073

Dependent Variable: AVERAGE\_PURCHASE DECISION

Source: Research Results, 2021

Based on table 4 above, it can be seen that the results in the test for each independent variable are as follows:

- 1) The test results obtained for the price variable show a tcount value of 3.612 > a ttable value of 1.986377 with a significant value of 0.00 < from 0.05 with a significant value

above 0.05 this means that the hypothesis  $H_0$  is rejected and  $H_a$  is accepted, meaning that the price significant effect on purchasing decisions Affinois.

- 2) The test results obtained for the promotion variable show a tcount value of 4.357 > a ttable value of 1.986377 with a significant value of 0.00 < from 0.05 with a significant value above 0.05 this means that the hypothesis  $H_0$  is rejected and  $H_a$  is accepted which means Promotion significant effect on purchasing decisions Affinois.
- 3) The test results obtained for the product quality variable show a tcount value of 1.563 < ttable value of 1.986377 with a significant value of 0.121 > from 0.05 with a significant value above 0.05, this means that the hypothesis  $H_0$  is accepted and  $H_a$  is rejected, meaning Product Quality has no effect on Affinois purchasing decisions.

### 3.4 The Influence of Price on Purchase Decision

The results of the partial test (t test) of the price variable showed tcount of 3.612 < ttable value of 1.986377 with a significant value of 0.00 < from 0.05. With a significant value above 0.05, this means that the hypothesis  $H_0$  is rejected and  $H_a$  is accepted, meaning that the price has a significant effect on Affinois' purchasing decisions. Affinois is a company that has been in the culinary world for a long time and is famous for its fairly expensive prices, but affinois always makes lots of promos on grabfood, with pandemic conditions like now Affinois makes digrabfood promos such as the example of the price of affinois sponge rolls in the grab app with a 10% discount - 20% plus consumers can use the promo code "Bareng30" and get an additional 30% discount. The aim is to make consumers feel that Affinois has products with good quality and affordable prices, Affinois takes advantage of discount promos to attract consumers to remember Affinois and also attract consumers to buy Affinois products continuously because the prices of Affinois products are affordable.

### 3.5 The Influence of Promotion on Purchase Decision

The results of the partial test (t test) of the promotion variable showed tcount of 4.357 < ttable value of 1.986377 with a significant value of 0.00 < of 0.05. With a significant value above 0.05, this means that the hypothesis  $H_0$  is rejected and  $H_a$  is accepted, meaning that promotions have a significant effect on Affinois' purchasing decisions. Affinois consumers always wait for weekly affinois promo updates because affinois always launches different promos every week so that consumers are curious and wait. And through this promo, consumers also feel that the price of affinois products is affordable and has premium quality so that consumers feel it is worth it. Due to the current pandemic, consumers will certainly cut their monthly spending budget. That's why affinois always make promotions. And instilling in the consumer mindset that the price of affinois products is affordable and has premium quality. Even though during the pandemic, consumers pay more attention to price than quality, it doesn't mean that Affinois doesn't maintain the quality of their products. Affinois still has to maintain the quality of its products so that every promo made by consumers will be enthusiastic to buy products from affinois and every time they order an affinois product there is always an interesting promo that can be obtained by consumers so consumers will be happy shopping at affinois. For example, the promo that runs at affinois is the lapis legit product and all items with a 20% discount plus you can enter the lottery with merchandise prizes and the main prize is Samsung S21. Promos like this are continuously made by affinois so that consumers will be happy shopping and affinois are also happy to see the enthusiasm of consumers.

### 3.6 The Influence of Product Quality on Purchase Decisions

The results of the partial test (t test) of the product quality variable showed tcount of 1.563 > ttable value of 1.986377 with a significant value of 0.121 > of 0.05. With a significant value above 0.05, this means that the hypothesis  $H_0$  is accepted and  $H_a$  is rejected, meaning that product quality has no effect on Affinois' purchasing decisions. Affinois always pays attention to the quality of its products by consistently using premium ingredients, but affinois is also diligent in making attractive promos so that consumers feel it is worth it. Despite the maximum efforts of affinois to produce the best products for consumers, it is undeniable that consumers still look at the prices and promotions run by Affinois. thus making consumers not pay attention to product quality but consumers' attention to prices and promos made by affinois so as to make product quality not affect purchasing decisions because it is

due to the pandemic period where consumers save budget expenses and are more likely to meet primary needs first. That's why product quality has been put aside, so prices and promos are the main concern for consumers during a pandemic like this.

### 3.7 The Influence of Price, Promotion and Product Quality on Purchase Decisions

The results of the simultaneous testing of Price, Promotion and Product Quality variables show that the influence on the Purchase Decision variable Fcount value of 32.621 > Ftable value of 2.705 with a significant value of  $\alpha < 0.05$ . The value of the coefficient of determination (Adjusted R Square) is 0.502 or 50.2% which means that purchasing decisions are influenced by price, promotion and product quality, by 50.2% and the remaining 49.8% is influenced by several variables not examined by researchers such as word of mouth and product innovation.

## 4. CONCLUSION

Simultaneously, the variables of price, promotion and product quality have a positive and significant effect on purchasing decisions for Affinois products. Partially, price and promotion variables have a positive and significant effect on Affinois purchasing decisions, while product quality has no effect on Affinois purchasing decisions. The result of testing the coefficient of determination (Adjusted R Square) was obtained at 0.502. This shows that the variables of price, promotion and product quality affect the purchasing decision variables by 50.2%. While the remaining 49.8% is explained by other variables not examined in this study.

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