

THE EFFECT OF PRODUCT PRICE AND PRODUCT QUALITY ON PURCHASING DECISIONS FOR SAMSUNG BRAND HANDPHONES AMONG STIE AAS SURAKARTA STUDENTS

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Abstract: This study aims to analyze the handphone price towards the decision to purchase Samsung mobile phone among STIE AAS Surakarta students and to analyze the quality of the Samsung mobile phone product against the decision to buy a Samsung mobile phone among STIE AAS Surakarta students. The populationS in this study were all consumers or users of Samsung mobile phones among STIE AAS students. The sample in this study was Samsung mobile phone users as many as 100 respondents. The results of this study indicate that the t test results are known to significantly influence the price variable purchasing decisions. The results of the F test together with the price variable (X1) and product quality (X2) have a joint effect on purchasing decisions. R2 analysis results obtained adjusted R square (R2) of 0.0627 means that variations in changes in purchasing decision variables can be explained by nutrient variables (X1) and product quality (X2) have a positive effect on purchasing decisions by 62.8%. While, the remaining Values Of 37.2% is explained by other variables outside the model.

Keywords: *Price, product quality, buying decision, handphone.*

1. Introduction

Communication tools continue to innovate and along with its development communication tools in the form of mobile phones have become a primary need for the community. Nowadays cellphones are not a luxury item because almost all people have mobile phones. The public is more interested and uses mobile more than other communication devices, because of its practicality, it is easy to carry and can be used anytime when users need it. At this time the public demand for mobile phones has increased, this is an opportunity for mobile manufacturers to create new innovations in the manufacture of mobile phones that result. One of the respected cellphone manufacturers at this time is Samsung, because the South Korean company has managed to dominate the world mobile market share with the sophistication of the product.

Even Samsung has created fifty percent new trends. Analysis of strategy analysts, Mawston (2011) said Samsung's impressive growth was due to attractive cellphone designs, sophisticated features and the use of Android systems and extensive distribution networks globally. So that what Samsung is doing is emulated by a leading cellphone manufacturer. Before buying, consumers will first make several alternative choices, whether to buy or not. If the consumer then decides one of them, then the consumer has made his decision. To understand the actions of consumer purchasing decisions, it must first be understood the nature of consumer involvement with products or services. The understanding level of consumer involvement in a product or service means that the marketer is trying to identify the things that cause a person to feel involved or not in the purchase of a product or service. The level of consumer involvement

in a purchase can also be influenced by stimuli (stimuli) included in the marketing mix (Hariadi, 2013).

Increasing competition makes companies are required to offer quality products and have more value, so that it is different from competing products, because product quality is one of the considerations of consumers before buying a product. Samsung companies are trying to create quality products and have more value than competing products, for example the Samsung Galaxy J7. Samsung Galaxy J7 is a mobile product that carries the Android 4G operating system with large specifications that can directly attract consumers, this is because the Samsung Galaxy J7 has applications from various categories: social, entertainment and games and has a 4G network that has incredible speed. The price of a product is also very important, if the price is high then the demand for the product is lower and if the price is low then the demand for the product will increase. If the price set by the company is right and in accordance with the purchasing power of consumers, the selection of a product will be dropped on the product. The company sets the price due to various considerations, in which price determination is adjusted to the quality of existing products. The Samsung company set the price of its products more affordable than the prices of competitors' products, but also offset by the quality of its products well.

The promotion strategy is a combination of advertising, personal sales, sales promotion and publicity into an integrated program to communicate with buyers and other people which will ultimately influence purchasing decisions. Samsung carries out promotional activities to attract consumers 'buying interest based on information on the advantages and advantages of a product, which are then arranged in such a way as to cause interest in those who see or hear it, then advertising will influence consumers' buying behavior towards a product. Based on the condition of the mobile phone business where to be able to compete so as to be able to realize and meet the expectations and desires of consumers, this is by conducting a study so the cellphone company is trying to influence the product to its customers, namely by re-evaluating the needs and desires of consumers and making initiatives, creative and innovative as well as do not forget to pay attention to product quality, price.

Based on the condition of the mobile phone business where to be able to compete so as to be able to realize and meet the expectations and desires of consumers, this is by conducting a study so the mobile phone company is trying to influence the product to its customers, namely by re-evaluating the needs and desires of consumers and making initiatives, creative and innovative as well as do not forget to pay attention to product quality, price. Based on the background above, this study will examine further whether the price has a significant effect on purchasing decisions for Samsung brand mobile phones among STIE AAS students and whether product quality has a significant effect on purchasing decisions for Samsung brand mobile phones among STIE AAS students.

2. Research Method

This is field research that directly done in through the field durectly done to the respondece (Hasa, 2002). The data and data sources in this study use primary data. Primary data is a source of research data obtained directly from the original source (not through intermediary media). Primary data is specifically collected by researchers to answer research questions. Primary data can be in the form of individual or group subject opinions, observations of objects (physical),

events or activities and test results. (Indriantoro and Supomo, 2002).

The population in this research were all the students who used Samsung mobile phone among the students of STIE AAS Surakarta. While, the sample in this reseach were 100 users Samsung mobile phone. Purposive sampling is used in this research. In purposive sampling, all the populations have the same oportunity to be sample member.

The method for collecting data in this study uses a questionnaire that is data directly obtained by field surveys through the distribution of questionnaires to respondents. Data collection was carried out with the following steps: Compiling a questionnaire using three independent variables, namely price and quality of purchasing decisions using a purposive sampling method, the Questionnaire was distributed to consumers, buyers or users among sturdent of STIE AAS Surakarta. The questionnaire assessment uses a Likert scale, namely: (1) Strongly Disagree, (2) Disagree, (3) Neutral, (4) Agree and (5) Strongly Agree, Collect data from respondents.

3. Result and Discussion

3.1 Result

3.1.1 Validity Test

The results of the questionnaire validity test using the SPSS 17.00 for Windows program are as follows:

Table 1
Price Variable Validity Test Results

Item	r_{xy}	R_{table}	Description
1	0,690	0,195	Valid
2	0,643	0,195	Valid
3	0,597	0,195	Valid
4	0,651	0,195	Valid
5	0,645	0,195	Valid

Source: Primary data processed

The r_{table} value for the sample significance level of 0.05 is 0.195. The table above shows that all statements about prices (1-5) are valid, because the value of r_{xy} is greater than the value of r_{table} .

Table 2
The Result of Quality Product Variable Validity Test

Item	r_{xy}	r_{table}	Description
1	0,756	0,195	Valid
2	0,513	0,195	Valid
3	0,796	0,195	Valid
4	0,726	0,195	Valid
5	0,726	0,195	Valid

Source: primary data processed

The r_{table} value for the sample of significance level of 0.05 was 0.195. In the table above it can be understood that all statements about the quality of the product are valid, because the value of r_{xy} is greater than r_{table} .

Table 3
 The Result of Decision On Purchasing Validity Test

Item	r_{xy}	r_{table}	Description
1	0,673	0,195	Valid
2	0,564	0,195	Valid
3	0,807	0,195	Valid
4	0,556	0,195	Valid
5	0,820	0,195	Valid

Source: primary data processed

The r_{table} value for the sample of significance level of 0.05 was 0.195. From the table above, it can be understood that all statements about purchase decisions are valid because r_{xy} is greater than the value of r_{table} .

3.1.2 Reliability Test

The reliability test results of each variable are as follows:

Table 4
 Reliability Test Result

Variable	Croncach's Alpha	Description
Price	0,648	Reliable
Product Quality	0,741	Reliable
Buying Decision	0,707	Reliable

Source: primary data processed

The results of reliability testing of all variables with Croncach's Alpha in the table above can be understood that the Alpha value is more than 0.6, so it can be determined that all the instruments of this study are reliable.

3.1.3 Classical Assumption Test Results

Normality Test Result

Based on the results of the normality test, it can be seen that the Kolmogorov-Smirnov Z value is 0.674 while the probability value (sig) is greater than 0.05, meaning that the results state that the data are normally distributed.

Multicollinearity Test

From the results of multicollinierity testing in this study, the results of VIF and Tolerance t-counts of each variable were in accordance with the testing criteria (VIF < 10 and Tolerance > 0.1) so that it can be said that the regression model used did not find multicollinearity between independent variables.

Heterokedasticity Test

Heterokedasticity test results showed the significance value of each variable showed more than 0.05. So from these results it can be understood that the regression model used is free from heteroscedasticity.

3.1.4 Hypothesis Test

Multiple Regression Analysis

The variable price regression coefficient of 0.436 means that if the variable price rises by one unit, the purchasing decision will increase by 0.436 assuming constant product quality. Product quality variable regression coefficient 0.486 means that if the product quality variable increases by one-unit, then the purchase decision will increase by 0.486 assuming a constant price.

T test

The price variable is known H_0 is rejected t count is greater than t table ($5.745 > 2,000$) then this shows (X1) has a significant influence on purchasing decisions because t.sig (0,000) is smaller than 0.05 (α) then it is significantly Price (X1) influences purchasing decisions. While the product quality variable is known H_0 is rejected t count because t count is greater than t table ($6.791 > 2,000$) then this shows that product quality (X2) has a significant influence on purchasing decisions because t.sig (0,000) is smaller than 0, 05 (α), significantly the product quality (X2) influences the buying decision.

F test

Because of Fcount? F table ($84.101 > 4.00$) then H_0 is rejected. Takes together the price (X1) and product quality (X2) variables jointly influence the purchasing decision.

R2 Test

Based on the results of data analysis using SPSS for Windows, it can be obtained adjusted R Square (R2) obtained a value of 0.627, this means that variations in changes in the purchase decision variable can be explained by the variable price (X1) and product quality (X2) a positive effect on purchasing decisions by 62.7%. While, the remaining 37.3% is explained by other variables outside the model.

3.2 Discussion

The effect of prices on the purchase decision of samsung mobile phones among STIE AAS students

The variable price is known H_0 is rejected because t arithmetic is greater than t table then this shows that the price (X1) has a significant influence on purchasing decisions or because t.sig is smaller than 0.05 (α) then significantly the price (X1) influence purchasing decisions. In this study, consumers consider that Samsung mobile phones have affordable prices and are at competitive prices they tend to have higher purchasing decisions.

The effect of product quality on purchasing decisions of samsung brand mobile phones among STIE AAS students

The product quality variable H_0 is rejected because t arithmetic is greater than t table, then this shows that product quality (X2) has a significant influence on purchasing decisions or because t.sig is smaller than 0.05 (α) significantly the product quality (x2) affect the purchasing decision. It can be concluded that a good assessment of product quality in accordance with the level of desires and needs of consumers will encourage consumers to buy these products.

4. Conclusion and Suggestion

4.1 Conclusion

Based on the results that have been described in the previous chapter the author can conclude the following:

The results of the t test analysis revealed that the price variable had a significant influence on purchasing decisions. Variable product quality product significant influence on purchasing decisions, F test results are known $F_{count} > F_{table}$ ($84.101 > 4.00$), then H_0 is rejected, Means that jointly the price variable (X1), and product quality (X2) affect together to the purchase decision, the results of the analysis of the coefficient of determination (R^2) obtained adjusted R square (R^2) obtained by 0.627, meaning that variations in changes in the purchase decision variable can be explained by the variable price (X1), and product quality (X2) have a positive effect on purchasing decisions by 62.7%. While the remaining 37.3% is explained by other variables outside the model.

4.2 Suggestion

For future researchers, it is better to increase the sample under study in order to obtain better results. For future studies it is better to add the independent variables studied.

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