

Analysis of scarlett product purchase decisions to consumers in Cikarang through product quality, prices and promotions

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ABSTRACT

This study aims to find out how the influence of product quality, price and promotion on purchasing decisions for scarlett products in Cikarang. This study uses quantitative analysis methods, namely research using numbers and statistical analysis. The method used in this study uses partial regression analysis (Partial Least Square/PLS) assisted by SmartPLS 3.0 software. Based on the results of research that has been carried out that product quality has a positive and significant effect on purchasing decisions. This is supported by the results of hypothesis testing T-Statistics 1.967 than T-table which is 4.466 with an effect of 0.275 and P-value > 0.05 of 0.000. Price has a positive and significant effect on purchasing decisions, this is supported by the results of hypothesis testing T-Statistics > than T-table which is 2.480 or 1.967 with an effect of 0.275 and P-value > 0.05 of 0.219. promotion has a positive and significant effect on purchasing decisions. This is supported by the results of hypothesis testing TStatistics > than T-table, which is 5.711 (1.967) with an effect of 0.077 and P-value > 0.05 of 0.000.

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1. Introduction

The rapid development of the cosmetic industry gave rise to products new similar ones with different qualities, so that consumers are not having experience in the product will trust the brand that is already is well-known and has a good image. For that every company experiences challenges because today customers are experiencing a diverse selection of products, brands, prices and suppliers. Consumer efforts in meeting needs and the desire that is possessed is to make a purchase. Decision purchase is the stage at which the consumer considers several factors and reasons that strengthen the consumer to decide to buy a particular product or service.

The price conveys the expected position of value of the brand or product company. Items that have been designed and then sold carefully can still be appreciated and profitable. So a conclusion can be drawn, the price is a number of money spent on consumers getting usage, benefits or ownership of a good or service.

According to Chaffey and Smith (2017), promotion is an online option for all elements of the promotional mix - from advertising, sales, sales promotion, PR, sponsorship, direct mail, exhibition, merchandizing, packaging, word of mouth mouth. the way the seller presents his product to the consumer, with the aim of to convey information about the product so that they want to buy products offered.

Product quality is closely related to consumer value and satisfaction. According to Kotler and Armstrong (2010) quoted from Jackson R.S. research. Weenas (2013) explained that product quality is the ability of a products to carry out their functions include reliability, durability, accuracy, ease of operation and repair of products, as well as other valuable attributes. Company which makes quality a strategic tool can dominate the market, because it does not all companies can achieve quality excellence.

Things that encourage the development of industry, especially industry beauty in Indonesia, namely the large number of human resources, especially children, young. Growing consumer demand and a lifestyle paying more attention to appearance results in the development of the product beauty or body care. Social media as a development platform marketing because its access is easily accessible to consumers. Scarlett Whitening by Felicya Angelista is a product brand local beauty from Indonesia which was founded in 2017. Beauty products it is a product that is used daily for the skin of the body and face and has been used by many people. Scarlett Whitening by Felicya Angelista is a product that contains Glutathione and Vitamin E so that it can brightens the skin and has been registered by BPOM RI so it is safe used.

People who leave product reviews can influence audience presumption, so that those who receive such information can believe. Said by Tati et al., (2015) buying intention (buying interest) is considered as a powerful internal stimulus and motivating action, online buying intention starting from the interest and desire of consumers to buy sutau products. In addition, because Scarlett Whitening products themselves are very much interest.

Most sales high i.e. Scarlett Whitening Brightly Ever After Serum of 151,492, then next Scarlett Whitening Acne Serum ranked second with 80,106 transactions, ranked third i.e. Erto & Niacinamide Serum with sales transaction 19,106, Erto & Serum Kinclong ranked fourth with 5,429 transactions, and Garnier Sakura White Booster Serum 30 ml ranked last with 3,166 transactions. Based on the explanation of the data above, it can be concluded that the number of Scarlett product sales transactions generate more buying interest compared to products from other brands.

2. Research Method

This research uses associative methods with a quantitative approach. With this research, a theory will be built that can function to explain, predict and control the relationship or influence of independent variables product quality (X1), price (X2), promotion (X3) on dependent variables consumer purchase decisions (Y). The respondents in this study were 326 people. The type of data used in this study was primary data obtained from questionnaires that were distributed personally to all respondents and secondary data collection techniques in this study were carried out by means of literature studies. Test data analysis in this study using the Smart PLS program.

3. Results And Discussions

3.1 Discriminant Validity

Measurement of discriminant validity by using cross values loading and niali average variance extracted (AVE). In testing that another is to be able to assess the validity contained in the output of the construct by assessing the AVE value, which has good model requirements if the AVE each of the other constructs exceeds 0.5 then it can be said that qualified presented by table 1.

Table 1. Average Variance Extracted (AVE) Results

Variable	Average Variance Extracted (AVE)	Test Result
Price	0,774	Valid
Purchase decision	0,764	Valid
Product quality	0,694	Valid
Promotion	0,746	Valid

Based on the data above, it can be seen that the Average Variance Extracted (AVE) value of the variable price > 0.5 which is 0.774 while for the variable purchases >0.5, which is 0.764, for product quality value >0.5 of 0.694 and for promotions >0.5 or 0.746. This shows that each variable has a good discriminant validity.

3.2 Composite Reliability

Table 2. Composite Reliability Results

Variable	Composite Reliability	Test Result
Price	0,954	Reliable
Purchase decision	0,942	Reliable

Product quality	0,932	Reliable
Promotion	0,936	Reliable

Composite reliability value generated on each variable price, purchase decision, product quality and promotion >0.7 where the value composite reliability of the price variable >0.7 which is 0.954 , decision purchase of >0.7 which is 0.942, product quality >0.7 which is 0.932 and the promotion of >0.7 which was 0.936. Judging from the composite reliability in each variable is >0.7 then it can be said that the four variables it's reliable.

3.3 Goodness of Fit

Table 3. R-Square

Model	R Square	Adjusted R Square
Purchase decision (Y)	0,771	0,769

From the table above, it can be seen the influence of product quality variables and promotion of the purchase decision. The R-square table above shows bedar the influence of product quality and promotion on purchasing decisions by 0.771 or 77.1%. From the results of the analysis above, it shows that the Q-square value is as large as 0.771 or 77.1% , meaning the level of diversity of models that shown independent variables in explaining their dependent variables by 0.771 or 77.1% and the remaining 0.229 or by 22.9%. Still influenced by other factors . Thus, from the results then this research model can be stated to have goodnees of fit which is pretty good.

3.4 Hypothesis Test

Hypothesis testing is carried out based on the test results of the Inner Model (structural model) which includes r-square output, parameter coefficients and t- statistics. To see whether a hypothesis can be accepted or rejected, among others, by paying attention to the significance values between contract, t-statistics, and p-values. The test can be seen from the bootstrapping results. The rules of thumb used in this study were t-statistics > 1.96 with a significance level of p-values of 0.05 (5%).

Tabel 4. Mean, STDEV, T-Values, P-Values

	Orignal Sample (O)	Sample Mean (M)	Standar Deviation (STDEV)	T Statistics (O/STD EV)	P Values
Price (X2) ->Purchase decision (Y)	0.207	0.219	0.083	2.480	0.013
Product quality (X1) -> Purchase decision (Y)	0.279	0.275	0.063	4.466	0.000
Promotion (X3) -> Purchase decision (Y)	0.442	0.434	0.077	5.711	0.000

Based on the table above, it can be seen that from the three hypotheses given this study, everything is acceptable because of each the indicated influence has a P-Values value of < 0.05 so that it can it is stated that an independent variable to its dependent has an influence that significant.

3.5 Product quality on purchase decision

Product quality (X1) shows a positive effect on purchase decision (Y) , this means the quality of the product carried out by scarlett products are able to attract the attention of consumers to decide buy such products. This is supported by the results of the T-Statistics hypothesis test ≥ 1.967 of the T-table which is 4.466 with an influence of 0.275 and P-value > 0.05 of 0.000. So it can be concluded that the hypothesis that submitted by the researcher is accepted because there is a significant influence between variable product quality to purchasing decisions.

3.6 Price on purchase decision

Price (X2) shows positive effect on decisions purchase (Y) , this means the price provided by scarlett products able to improve purchasing decisions . This is supported by the test results the T-Statistics hypothesis $>$ than the T-table which is 2,480 or $\geq 1,967$ with an influence of 0.275 and a P-value of > 0.05 of 0.219 . So

that it can be concluded that the hypothesis proposed by the researcher is accepted because there is a significant influence between price variables on decisions purchase.

3.7 Promotion on purchase decision

Promotion (X3) shows positive effect on decisions purchase (Y), this means that the promotion carried out by the company can make the customer decide to buy scarlett products. It is supported by the results of the T-Statistics hypothesis test >there is a T-table that is as large as 5.711 (1.967) with an influence of 0.077 and a P-value of >0.05 of 0.000. So it can be concluded that the hypothesis proposed by the researcher is accepted because there is a significant influence between the promotion variables work towards purchasing decisions.

4. Conclusion

Based on the results and discussions in the study, it can be concluded that application of product quality of Scarlett products has a significant positive effect on purchase decision on consumer in Cikarang, price of Scarlett products has a significant positive effect on purchase decision on consumer in Cikarang and the application of Scarlett products promotion has a significant positive effect on purchase decision on consumer in Cikarang.

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