The influence of product, price, promotion, and place on the purchase decision of Xiaomi smartphones in STIE Muhammadiyah Jakarta students

Viniyati Maftuchach, Abdurrahman Rachman, Andri Gunawan, Sutar

STIE Muhammadiyah Jakarta
*Corresponding Author: yativym@gmail.com

ABSTRACT

Along with the development of hardware technology such as mobile phones. The most consumptive market for mobile phone marketing is the Asian market, especially in Indonesia. More and more mobile phone manufacturers are popping up, this provides many choices for consumers. This research was conducted on campus 2 (Minangkabau) STIE Muhammadiyah Jakarta Jl. Minangkabau Raya No. 60 - South Jakarta. The time of this research was carried out in July 2020. The research design used in this study is causality research involve 100 respondents. the results of the T Test (Partial) it is known that the independent variable price (X2), Promotion (X3) partially has a significant influence on purchasing decisions, while the product variable (X1), place (X4) partially has no significant effect on purchase decision. From the results of the Partial Test (T test) it is known that from the four marketing mix the most dominant on purchasing decisions is the price variable (X2). Understanding marketing for companies is very important to realize the needs and desires of customers, determine the target market offered. Thus, marketing insights are also very beneficial for companies to provide the right products, services, and programs to serve the market to optimize sales.

Keywords: Marketing Mix, Product, Price, Promotion, Place, Smartphone.

1. INTRODUCTION

The development of science and technology that is increasingly advanced, one of which is in the field of communication, where currently fast and practical communication is needed and desired by students. Increasingly sophisticated technology makes communication tools turn into a primary need for humans. Means of communication in student life is something that is needed and very important because with these communication tools, students can easily exchange information and communicate without knowing boundaries anywhere and anytime. In addition, communication is needed as a socialization process so that to be able to expedite the communication process it is necessary to have a tool as an intermediary in communicating. The intermediary can be something natural, such as the senses possessed by humans or something made by humans, such as smartphone technology. Smartphones will support activities for some people to be more effective and efficient in an effort to support their work productivity.

Along with the development of hardware technology such as

mobile phones. The most consumptive market for mobile phone marketing is the Asian market, especially in Indonesia. More and more mobile phone manufacturers are popping up, this provides many choices for consumers. Today's mobile phone consumers are smarter in choosing what products they will use, of course, almost all consumers always want quality products at lower prices. Advances in technology and information that are increasingly developing make human needs develop and become increasingly complex. Companies are competing to create products to meet the needs and wants of an increasingly diverse market (consumer). (Suryana, 2013).

Smartphone technology is a type of cellphone that has more capabilities taller than a normal cell phone. Smartphones have also become an item with a high level of need which is important for some to become an important telecommunications tool in today's modern era, because many consumers use smartphones from young to adults. Smartphones also offer various sophisticated facilities and provide convenience in various activities for consumers who buy them. Every company tries to produce smartphones with the best quality to be able to captivate the hearts of consumers.

Winardi (2014) states that consumer purchasing decisions are the point of purchase from the evaluation process. Peter and Olson (2014) state that purchasing decisions are an integrated process that is combined to evaluate two or more alternative behaviors and choose one of them. Schiffman and Kanuk (2014) define a decision as a choice of action from two or more alternative choices. A consumer who wants to choose must have alternative choices. Kotler and Keller (2016) explain "In the evaluation stage, consumers form a preference for the brand in choice and also form in the intention to buy the most preferred brand". Purchasing decisions are consumer decisions regarding preferences for brands in the choice set.

Therefore, understanding marketing for companies is very important to realize the needs and desires of customers, determine the target market offered. Thus, marketing insights are also very beneficial for companies to provide the right products, services, and programs to serve the market to optimize sales. Marketing is the process by which companies create for customers and build strong relationships with customers to earn from customers in return (Armstrong et.al., 2014).

Marketing according to (Kotler & Keller, 2012) "Marketing is about identifying and meeting human social needs" which can be interpreted as marketing is about identifying and meeting human social needs. It can be concluded that marketing is one of the most important factors in the company, so it can be said that marketing is the heart in the life of the company. Marketing activities can be seen as a cycle that aims to satisfy consumers' wants and needs for products and services in their lives.

Marketing in carrying out its operational activities requires a marketing mix. According to Kotler & Armstrong (2012) the marketing mix is a set of marketing tools that the company uses to continuously achieve its company goals in the target market. The concept of the marketing mix according to Kotler & Keller (2012) consists of variables that can be controlled by the company, known as the 4 P concept, namely Product, Price, Promotion, Place.

Product is something that can be offered to the market to get attention, so that the product being sold is bought, used, or consumed that can fulfill a desire or need from consumers. Consumers also have different product perceptions. Consumers' choice of various products is a good opportunity for manufacturers to continue to increase sales with appropriate marketing strategies. One effort that can be done is to identify individual behavior in their efforts to obtain and use goods or services that are included in the purchasing decision process. Consumer behavior is influenced by cultural, social, personal, and psychological factors (Armstrong et.al., 2014).

Meanwhile, according to Elliot et.al. (2012), prices are matters relating to customer assessments of the price of the product itself. Price according to Kotler and Armstrong (2016) is the amount exchanged for a product or service. Furthermore, price is the amount of value that consumers exchange for the number of benefits by owning or using an item or service. Price is something that consumers consider when making a purchase. Some consumers even identify price with value. According to Dharmmesta & Handoko (2012), price is the amount of money (plus some items if possible) needed to get a combination of their goods and services.

Promotion can be defined as a form of marketing communication, marketing communication is a marketing activity that seeks to disseminate information, influence / persuade and / or warn the target market for the company and its products to be willing to accept, buy, and be loyal to the products offered by the company. concerned (Tjiptono, 2012). In addition, promotions can stimulate demand for products (Chong, et.al., 2017). With the promotion, it is hoped that consumers will want to try this product and encourage existing consumers to buy the product more often so that there will be repurchases and the company's product purchasing decisions will increase. Through promotional activities, it can attract consumers to be interested in buying products, and be able to provide a stable buyer response, dramatize product offerings and increase sales in the short term (Limpo et.al., 2018).

Place is a channel that is intended to reach the target consumer. This place system includes location, transportation, trade and so on (Kotler & Keller, 2012). The location component consists of direction and distance. Direction shows the position of a place compared to other places, while distance is a measure of the distance or proximity of two objects/symptoms. The direction of relative places, as well as relative distances. Direction and distance determine the intensity of the relationship between the two places (Aeni, 2020).

Limpo et.al. (2018) conducted a study entitled "Effect of Product Quality, Price, and Promotion to Purchase Decision". The results of this study indicate that price and promotion have a positive effect on purchasing decisions. This research is supported by Maftuchah (2020) which states "Analysis of the Effect of Price and Promotion on Interest in Buying LPG Bright Gas at PT. Jaya Gas Indonesia", the results of the study show that price and promotion have a positive effect on purchasing decisions.

2. METHODS

This research was conducted on campus 2 (Minangkabau) STIE Muhammadiyah Jakarta Jl. Minangkabau Raya No. 60 - South Jakarta. The time of this research was carried out in July 2020. The research design used in this study is causality research, which explains the causal relationship between research variables, carried out to determine the pattern of causal relationships of the independent variables on the dependent variable. In this case, the author wants to know the effect of Product, Price, Promotion and Place on the decision to purchase Xiaomi Smartphones at STIE Muhammadiyah Jakarta students.

According to Sugiyono (2015:61) Population is a generalization area consisting of objects or subjects that have certain quantities and characteristics that are determined by researchers to be studied and then draw conclusions. The population is all consumers who buy Xiaomi Smartphones at STIE Muhammadiyah Jakarta students. So the total population in this study is from 2017 to 2019 which is 200 people.

The sample is part of the number and characteristics possessed by the population. The calculation of the number of research samples is based on the calculation of the percentage of the total population reached. The determination of the sample size in this study was carried out using the Slovin formula as follows (Sugiyono, 2016:57):

$$n = N/ \ 1 + Ne \ ^2$$
$$= 200/ \ 1+ 200 \ (0,1) \ ^2$$
$$= 95.23$$

So as a rounding researcher will distribute questionnaires to 100 respondents in the study. The sampling technique used in this study is non-probability sampling in the incidental sampling technique, that is, anyone who coincidentally or incidentally meets the researcher can be used as a sample (Sugiyono, 2015: 67). In research, which affects the quality of research data, one of which is the quality of data collection. Data collection regarding the accuracy of the methods used to collect data (Sugiyono, 2014: 137).

Questionnaires are an efficient data collection technique if the researcher knows with certainty the variables to be measured and what can be expected from the respondents. The questionnaire method is used because it is more practical and can be distributed simultaneously to respondents (Sugiyono, 2014:142).

Interviews are used as a data collection technique if researchers want to conduct a preliminary study to find problems that must be investigated, and if researchers want to know things from respondents who are more in-depth and the number of respondents is small or small (Sugiyono, 2014: 137). The data obtained were rearranged or grouped and then analyzed using statistical methods. The method used is quantitative analysis, that is, this method uses a calculation system, formulas, figures, and tables needed in writing this research.

3. RESULT AND DISCUSSION

In multiple linear regression analysis, the enter method is used, because the enter method will include all variables in the analysis to determine which variables have a significant effect on the dependent variable.

The average respondent's answer to the purchasing decision instrument is 16.51, the average respondent's answer to the product instrument is 24.52, the average respondent's answer to the price instrument is 25.26, while the average respondent's answer to the promotion instrument is 16.74, and the average respondent's answer for the place instrument is 20.80. The standard deviation of the purchase decision instrument is 1.998, the product instrument is 2.888, the price instrument is 3.018, the promotion instrument is 2.064, while the standard deviation for the place instrument is 2.749. By using the number of respondents as many as 93 people.

R, also known as the correlation coefficient, shows that the relationship between the independent variable (Product, Price, Promotion, Tempt/Place) and the dependent variable (Purchase decision) is 89.6%. The number R square is also called the coefficient of determination. From the table it can be read that R square(R^2) is 80.3%. This means that 80.3% of purchasing decisions are influenced by product, price, promotion and place variables, while the remaining 19.7% is influenced by other factors. Adjusted R Square is the adjusted value of R^2 so that the picture is closer to the quality of the model assessment in the population. The standard error of the estimate is the standard error of the estimate 0.906.

Table 1. Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	1.118	.870		1.285	.202					
	X1	.083	.055	.119	1.489	.140	.762	.157	.070	.348	2.878
	X2	.220	.084	.332	2.626	.010	.863	.270	.124	.140	7.135
	X3	.286	.114	.295	2.511	.014	.854	.259	.119	.162	6.180
	X4	.146	.108	.201	1.345	.182	.866	.142	.064	.100	9.956

Table 5.42 shows the data from the regression results so that the regression equation is obtained as follows:
Y = 1.118 + 0.083X1 + 0.220X2 + 0.286X3 + 0.146X4

The constant (a) = 1.118 implies that the intersection of the regression line on the vertical axis (Y) is located at 1.118, this value depends on the value of the independent variables (X1, X2, X3, X4). The value of 1.118 also means that even though the company does not carry out product, price, promotion, place policies, the company still achieves a purchasing decision of 1.118 units.

Product (X1) on the purchase decision. b1 = 0.083 value implies that if X1 (product) increases by one unit, it will be followed by an increase in purchasing decisions by 0.083 units with the assumption that the price (X2), promotion (X3), and place (X4) variables are constant.

Price (X2) on the purchase decision. b2 = 0.220 value implies that if X2 (price), increases by 0.220 one unit, it will be followed by an increase in purchasing decisions of 0.220 units. Assuming that X1 (Product), X3 (Promotion), X4(Place). In this study, it is contrary to the rules of marketing theory which states that if the price increases, the purchase decision will decrease and vice versa.

Promotion (X3) on purchasing decisions. b 3 = 0.286 value implies that if X3 (Promotion) increases by one unit, it will be followed by an increase in purchasing decisions of 0.286 units with the assumption that the product variables (X1), price (X2), and place (X4) are constant.

Place (X4) on the purchase decision. b 4 = 0.146 value implies that if X4 (Place) increases by one unit, it will be followed by an increase in purchasing decisions of 0.146 units with the assumption that the product variables (X1), price (X2), and promotion (X3) are constant.

The F test is used to determine whether the independent variables simultaneously or jointly have a significant effect on the dependent variable. It is suspected that the product, price, promotion and place variables have a significant effect on purchasing decisions for the Xiaomi Jakarta Smartphone. The test is carried out by comparing the values of F statistic and F Table at certain degrees of freedom, namely n-k-1 with a significant or significant level of = 5%.

The provision of the F test is that if F statistic > F table then Ho is rejected and H1 is accepted, which means that there is a significant effect jointly between the independent variables on the dependent variable. If F statistic < F table, then Ho is accepted and H1 is rejected, which means that there is an insignificant effect jointly between the independent variables on the dependent variable.

Table 2. ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	295.005	4	73.751	89.839	.000ᵃ
Residual	72.242	88	.821		
Total	367.247	92			

Table 2, the results of the ANOVA test or F TEST obtained F statistic which is 89.839 with a significant level of 0.000 because the probability (0.000) is less than 0.05, the regression model can be used to predict the increase in product, price, promotion, and place to purchase decisions. While the Ftable with a significant 0.05df1 = 4 df2 = 88 (N-K-1) is 2.48, this means that F statistic > F table. So, from the above test it can be explained that Ho is rejected. This proves that the product (X1), price (X2), promotion (X3), and place (X4) variables have a significant effect on the purchasing decision variable (Y).

Conducted to determine the effect of the independent variables individually on the dependent variable, by assuming the other independent variables constant (fixed). The provisions of the T test are If T statistic > T table with a significant level of = 5% then Ho is rejected and H1 is accepted. If T statistic < T table with a significant level of = 5% then Ho is accepted and H1 is rejected.

Based on the research findings of the marketing mix variable which includes the product variable (X1) of 1.489, price (X2) of 2.626, promotion (X3) of 2.511, place (X4) of 1.345. It is known that the price variable (X2), Promotion (X3), has a partial influence on purchasing decisions. While the product variable (X1) and place (X4) do not have a partial influence on purchasing decisions. The dominant variable influencing purchasing decisions is price (X2).

The results of this study are not the same as the results of previous studies conducted by Djamaluddin Karim, Jantje L. Sepang, Bode Lumanauw (thesis journal, 2014) namely from the T test it is known that the product variable (X1) is 1.847, promotion (X2) is 4.151, price (X3) is 1.914, place (X4) of 4.841 and the most dominant variable is the place variable (X4). Zulmi Nur Malik (thesis journal, 2015) from the results of the T test it is known that the product variable (X1) is 0.486, the price

(X2) is 0.388, the place (X3) is 0.605 does not significantly affect purchasing decisions, while the promotion variable (X4) has a significant effect on purchasing decisions of 0.011. Geraldi Tambajong (thesis journal, 2013), the results of the T test analysis found that the product variable (X1) was 4.893, price (X2) was 2.792, product and price variables had a significant effect on purchasing decisions, and the results of the analysis of the place variable (X3) were 1.047, the promotion variable (X4) is -0.943, so the place and promotion variables have no significant effect on purchasing decisions.

4. CONCLUSIONS

Based on the results of the study, it can be seen that F statistic is greater than F table. Based on the criteria for taking the hypothesis, if F statistic > F table then Ho is rejected, meaning that the multiple regression coefficient is significant. So from the results of multiple regression analysis and this F test, it can be seen that Product, Price, Promotion and Place have a simultaneous effect, from the results of the coefficient of determination test it is known that the independent variables (product, price, promotion and place) have a contribution to the dependent variable (purchase decision) and there are other variables that influence outside the independent variables that have been studied. From the results of the T Test (Partial) it is known that the independent variable price (X2), Promotion (X3) partially has a significant influence on purchasing decisions, while the product variable (X1), place (X4) partially has no significant effect on purchase decision. From the results of the Partial Test (T test) it is known that from the four marketing mix the most dominant on purchasing decisions is the price variable (X2).

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