

THE EFFECT OF PRODUCT QUALITY, PRODUCT VARIATION AND PROMOTION TOWARDS THE PURCHASE DECISION OF VIVA COSMETICS

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ABSTRACT

This study aims to determine the influence of product quality, product variations and promotional activities on the purchasing decision of Viva Cosmetics. This research was conducted using a quantitative descriptive method, the variables in this study were 3 free variables (X) namely the influence of product quality, product variation and promotional activities and bound variables (Y) namely purchasing decisions measured using primary data from questionnaires. The population in this study were consumers who would buy and use Viva cosmetics by calculating samples using a nonprobability sampling method with an accidental sampling technique consisting of 100 respondents. The data analysis techniques used are validity test, reliability test, multiple linear analysis and t test using the SmartPLS3.3.3 program. The results showed that there was a positive and significant influence of product quality on the purchasing decision of Viva Cosmetics with a value of 38% (0.380). There was a positive and significant effect of product variation on purchasing decisions at Viva Cosmetics with a value of 48.2% (0.482). The promotion has no effect on purchasing decisions Viva Cosmetics by 9.3% (-0.093).

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1. INTRODUCTION

The development of local cosmetics in Indonesia is growing. According to data from the Central Statistics Agency (BPS) in the first quarter of 2020, the pharmaceutical, medicine and cosmetics group industry experienced a growth of 5.59%. amid the decline in other sectors due to the pressure of the impact of covid 19, this industry group has increased and greatly contributed significantly to foreign exchange. The achievement of an export value of 317 million US dollars in the first half of 2020, this industry group increased by 15.2% compared to the previous year. It can be seen from these indicators that even the Indonesian drug industry is growing rapidly and is able to provide around 70% of the needs in the country (Doddy Rahadi 2020).

One of the large-scale well-known brands circulating in the Indonesian cosmetics industry market is Viva cosmetics. The products offered are in the form of cosmetic products to beauty treatments from head to toe which include: bath scrubs, splash cologne, moisturizers, lipsticks, face powder, body lotion, etc. Viva is arguably the oldest Indonesian cosmetic brand. Cosmetics produced by PT. Vitapharm was established in 1962 in Surabaya under the name PT. General Indonesian Producing Centre. One of its founders was a pharmacist named Dr. Tio Tiongho. The business, which started in 1962 through door-to-door sales, has now grown to thousands of outlets spread across in Indonesia and has achieved sales in foreign markets. Viva cosmetics always maintains quality and continues to innovate to improve good quality again by producing products made from natural ingredients and using high-tech machines, and workers who have their own skills make products memorable for their market share. In addition, supported by a positive brand image and the addition of a label made in Indonesia that suits the tropics, Viva cosmetics can compete with other cosmetic circles.

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Purchasing decisions are the activities of individuals who are directly involved in making decisions to make purchases of products offered by sellers. Winardi (2010:200) says consumers' purchasing decisions are purchase from the evaluation process. Meanwhile, Peter and Olson (2009:162) state that purchasing decisions are coordinated cycles that combine to assess at least two alternative behaviors and choose one of them. According to Kotler and Armstrong (2008) purchasing decisions are a series of events: understanding the problem of needs, digging for information, assessing choices, decisions before buying and behavior after purchase. Purchasing decisions are consumers' desire to buy the goods they want (Schiffman & Kanuk 2004).

The next factor that can cause a decrease in Viva lipstick sales that can influence purchasing decisions is product quality, this is evidenced by the comparison of the quality of Viva consumer products, for example in lipstick products. Wardah has a lipstick variant that is suitable for almost all types of lips. Its durability has also been tested for more than 12 hours without having to add a polish repeatedly, Revlon has a relatively good variant quality and also lasts up to 18 hours, Maybelline, the quality of this product there is a sensational color type that has a special pigment. This lipstick lasts up to 18 hours, Pixy The lipstick secreted by Pixy, has the content of vitamin E and Almond oil. Then pixy lipstick resistance up to 8 hours without having to add a repeated finish. Viva lipstick contains Squalane and Shea Butter. this lipstick can last up to 2-3 hours without heavy feeding. Currently, many consumers want to get a quality product according to the price purchased, consumers consider a quality product to be a product that has an expensive price. According to Kotler (2012:72) product variation as a separate unit in a brand or product line that can be distinguished by size, price, or a other characteristic. The more diverse the number and type of products sold in a place, consumers will feel satisfied and make purchases on these products and consumers do not need to purchase other products. Product variations have special characteristics in a product brand that can be selected based on appearance, price, size, or other characteristics (Fandy Tjiptono, 2008:97). According to Madiha Zaffou (2010: 1) said product variation is the most important factor when wanting to make a decision purchase. Stanton quoted by Buchari Alma (2007:139). Product variations are product developments so that they become several kinds of product choices. (Brun and Pero, 2012). The variety of products is determined by the number of different products that the company offers to consumers. This shows that product variations can improve consumers' purchasing decisions.

The next factor that can cause a decrease in sales of Viva cosmetics and can influence purchasing decisions is promotion, this is evidenced by comparisons of promotions from various cosmetic brands. Wardah promotion using unusual brand ambassadors such as Dewi Sandra, Ineke Koesharawati to Dian Pelangi, Revlon uses the brand ambassador of former Korean pop personnel SNSD, Maybelline by using foreign and Indonesian artists, one of which is Velove Vexia and Pevita Pearce, Pixy promotion uses the brand ambassador of young Indonesian artists while the promotion carried out by Viva does not use well-known brand ambassadors.

The promotions used by Viva are very rare and do not use well-known brand ambassadors. While promotion is an influential factor in the purchasing factor, this is supported by previous research by Gigih Made who said Promotion is one of the determining factors for the success of a marketing program. If consumers have never listened to it and are not sure that the product will be useful to them then they will not buy it, in essence promotion is a form of marketing communication. Kotler and Keller (2009:510) state that promotion can be a variety of ways to inform, persuade, and remind consumers in a way directly or indirectly about a product or brand being sold, Promotion as a support to increase purchases (Cannon et al, 2008:69). Promotion is a communication of information of sellers and buyers that aims to change the attitude and behavior of buyers, who were previously unfamiliar to become familiar so that they become buyers and keep in mind the product. Promotion is communicating information between the seller and potential buyers or others to influence attitudes and behavior (Buttner et al.,2015). Promotion provides utilitarian benefits including biaya savings, reducing search costs, and higher values (Tjiptono, *The Effect Of Product Quality, Product Variation And Promotion Towards The Purchase Decision Of Viva Cosmetics - Rustianah, Surya Bintarti, Primaraga Sumantri Indra Wicaksana, Rita Sari*

2008:219). Promotion is a marketing activity that seeks to disseminate information, influence or remind the target market of the company and its products to be willing to accept, buy and be loyal to the products offered by the company concerned. (Ginting, 2012:10) promotion is all the activities of a producing company to improve the quality of its products and persuade or seduce consumers to buy their products. Tjiptono (1997), promotion is the activity of offering products or services to potential consumers who become surprised so that the company can be known for a good image by consumers.

2. METHOD

This study tried to measure the extent of this phenomenon in objective, so it can be said that this type of research uses the method associative with a quantitative approach. The sample taken by accidental sampling technique in this study was 100 respondents who were Viva consumers Cosmetics without special criteria. The primary data in this study were obtained from a questionnaire that was distributed containing statements regarding product quality, product variations and promotions on the level of consumer purchasing decisions given to 100 respondents Viva cosmetic consumers using a respondent rating scale of 1 – 5, where the scale of 1 (strongly disagree) to the scale of 5 (strongly agree). Meanwhile, data collection techniques secondary in this study was carried out by means of a literature study. Test data analysis with regression test techniques where using the SmartPLS program the analysis techniques in this scientific paper use the SmartPLS.3.3.3 program. PLS-SEM analysis usually consists of two sub-models, namely the measurement model (measurement model) or often called the outer model and structural model or often called inner model. The measurement model shows how manifest variables or observed variables represent latent variables to be measured. While structural models show the strength of estimation between latent or construct variables.

3. RESULT AND DISCUSSION

3.1 Outer Model

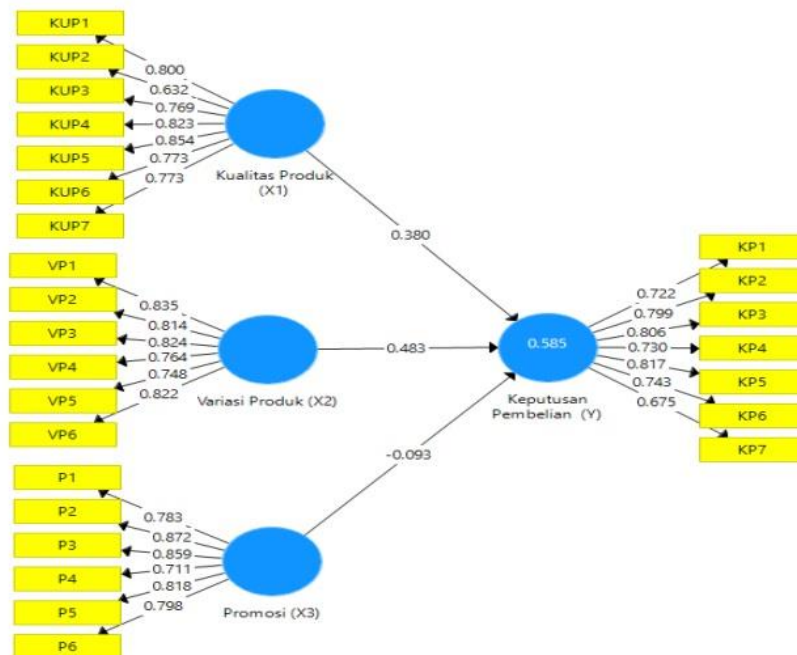


Figure 1. Diagram Path

Product quality variables:

a. Product quality variable (X1) measured through the KUP5 instrument occupies the highest role in influencing decision variables purchase (Y) of 0.854

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- b. Product quality variable (X1) measured through the KUP4 instrument of 0.823
- c. Product quality variable (X1) measured through the KUP1 instrument of 0.800
- d. Product quality variables (X1) measured through the KUP6 and KUP7 instruments rank number 4 at 0.773
- e. The product quality variable (X1) measured through the KUP3 instrument is 0.769
- f. The product quality variable (X1) measured through the KUP2 instrument was 0.632

Product Variation Variables:

- a. The product variation variable (X2) measured through the VP1 instrument occupies the highest role in influencing the purchase decision variable (Y) of 0.835
- b. The product variation variable (X2) measured through the VP3 instrument was 0.824
- c. Product variation variable (X2) measured through the VP6 instrument of 0.822
- d. Product variation variable (X2) measured through the VP2 instrument of 0.814
- e. The product variation variable (X2) measured through the VP4 instrument was 0.764
- f. The product variation variable (X2) measured through the VP5 instrument was 0.748

Promotion Variables:

- a. The promotion variable (X3) measured through the P2 instrument occupies the highest role in influencing the purchase decision variable (Y) of 0.872
- b. The promotion variable (X3) measured through the P3 instrument was 0.859
- c. Promotion variable (X3) measured through the P5 instrument of 0.818
- d. Promotion variable (X3) measured through instrument P6 of 0.798
- e. The promotion variable (X3) measured through the P1 instrument was 0.783
- f. Promotion variable (X3) measured through the P4 instrument of 0.711

3.2 Inner Model

Testing of structural models is carried out by looking at the values R-square which is a goodness-fit test. Product quality model (X1), Product Variation (X2) and Promotion (X3) to the Purchase Decision (Y) gives an R-square value of 0.585 that can be interpreted that the variability of the decision construct purchase (Y) which can be explained by the variability of product quality (X1), product variation (X2) and promotion (X3) of 58.5% while 41.5% is explained by other variables beyond those studied.

Table 1. R-Square

	R-Square
Keputusan pembelian (Y)	0.585
Product quality (X1)→Purchase decision (Y)	0.380
Product variations (X2) → Purchase decision (Y)	0.483
Promotion (X3) → Purchase decision (Y)	-0.093

- a. Influence of product quality (X1), Product variation (X2) and Promotion (X3) to The purchase decision (Y) gives an R-square value of 0.585 shows a positive but weak influential model, Product (X1), Product Variation (X2), and Promotion (X3) of 58.5%.
- b. Product quality (X1) has a positive but weak effect on purchase decision (Y) of 0.380, which can be interpreted product quality construct (X1) which is 38%.
- c. Product variation (X2) has a positive but weak effect on decisions purchase (Y) of 0.483, where can be interpreted construct product variation (X2) which is 48.3%.

d. Promotion (X3) has no effect on purchasing decisions (Y) of -0.093, where can be interpreted promotional construct (X3) by -9.3%.

3.3 Hypothesis test

Hypothesis test in this research, it was carried out by looking at the T-Statistics value and the P-Values value. The research hypothesis can be declared acceptable if the P-Values value < 0.05.

Table 2. Mean, STDEV, T-Values, P-Values

	Original Sample (O)	Sample Mean (M)	Standart Deviation (STDEV)	T Statistics	P Values
Product quality (X1)→Purchase decision (Y)	0,380	0,404	0,141	2,696	0,007
Promotion (X3) → Purchase decision (Y)	-0,093	-0,082	0,111	0,834	0,405
Product variations (X2) → Purchase decision (Y)	0,483	0,459	0,172	2,811	0,005

1. The effect of product quality on purchase decision

A statistical t value of 2,696 is greater than t table 1.96 with an error rate below 0.05 which means the first hypothesis (H1) states quality product (X1) against the purchase decision (Y) is acceptable.

2. The effect of product variation on purchase decision

A statistical t value of 2.811 is greater than t-table 1.96 with an error rate below 0.05, which means the second hypothesis (H2) states the variation of the product (X2) against the purchase decision (Y) is acceptable.

3. The effect of promotion on purchase decision

A statistical t value of 0.834 is smaller than t-table 1.96 with an error rate below 0.05, which means the third hypothesis (H3) states promotion (X3) against the purchase decision (Y) rejected.

4. CONCLUSION

Based on the results of the research and discussion that have been described previously, the quality of Viva cosmetic products significantly has a positive effect on purchasing decisions, the weak role of product quality in Viva cosmetic products is not due to the product Viva is not of high quality but there is another variable outside the research that affects consumers to make purchase decisions, namely the pricing of Viva products which are very affordable. The variety of Viva brand cosmetic products has a significant positive but weak effect on purchasing decisions, the weak influence of product variation because Viva products have very few products compared to other cosmetic products. Meanwhile, promotion does not affect purchasing decisions because the advertising carried out is not aggressive, such as not using the support of famous celebrities so that consumers rarely see advertisements from this product.

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