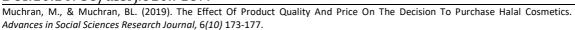
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# The Effect Of Product Quality And Price On The Decision To Purchase Halal Cosmetics

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#### **ABSTRACT**

Effect of product quality and price on purchasing decisions for Halal cosmetic products. The research location in Makassar (Indonesia) is Panrefukang Makassar Carrefour consumers. Respondents were taken randomly, 55 samples without looking at religious background. The study was conducted for two months, in May - 2019. This study aims to determine how the influence of product quality and wardah cosmetic product prices on consumer purchasing decisions. This cosmetic product has the power of halal brand image and also as a pioneer of halal cosmetics. Based on the results of data analysis, the results of the study indicate that the product quality variable (X1) and price variable (X2) have a positive and significant effect on purchasing decisions. Thus the halal brand image that is supported by product quality and affordable prices will convince consumers of Wardah's cosmetics purchasing decisions.

**Keywords:** Product Quality, Price and Purchasing Decisions

#### INTRODUCTION

Consumer satisfaction has become a research topic. This is due to the relationship between the concept of customer satisfaction with the concept of consumer behavior, namely loyalty. Loyalty is the ultimate goal of the company because of the belief that retaining existing customers is five times more difficult than getting new customers. Companies that have been able to satisfy consumers and have loyal consumers tend to be able to survive in changing economic conditions.

In this era of increasingly fierce competition, one way to get loyal customers is to satisfy the needs of consumers consistently from time to time. Many ways companies can use to satisfy consumer needs. Often companies competing to provide products at low prices with various theories of customer behavior and marketing states that purchasing decisions and product choices are often influenced by psychological impulses. The product is not only designed to fulfill its functional needs but also to satisfy social and psychological needs. Quality is the most important concept in creating a product. Quality products are products that are received by customers according to the needs and desires of customers. Therefore companies must understand what the needs and desires of consumers.

According to Kotler and Armstrong (2011): Product quality is the ability that can be assessed from a product in carrying out its functions, which is a combination of durability, reliability, permanence, ease of maintenance of other attributes of a product. In this case personal taste is

very influential. Therefore in general in managing product quality, it must be in accordance with the expected use of quality to have a direct impact on the performance of products and services. Therefore, quality is closely related to customer value and satisfaction.

According to Peter and Olson (2013) Consumers who are satisfied with the product will most likely continue to buy it and tell others about the pleasant experiences they felt with the product. Product quality can influence purchasing decisions made by consumers. If you see the quality of wardah products in terms of the price offered can be said to be affordable with the quality provided by the product.

Consumers want to get products with good quality in accordance with the price paid. Not a few consumers also argue that expensive products are quality products. According to Kotler and Keller (2009: 67) price is one element of the marketing mix that generates revenue and is another element that generates costs. The price also communicates the intended value positioning of the company's product or brand.

Consumer behavior is the process that occurs in consumers when deciding to buy, what is bought, where and how to buy it (Kotler and Keller, 2007). Every consumer purchase is created because of a need or desire or a mixture of both. Besides that, the factors that make the decision to buy are the cultural factors which include the norms adopted by the community, perceptions, preferences, namely the liking of one product compared to other products, or habits. Psychological aspects also affect a person in the act of buying an item or service consisting of: motivation, trust and behavior.

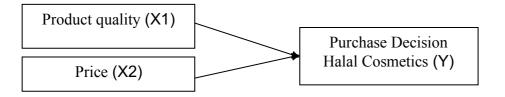
This research was conducted in the city of Makassar which is the 4th largest city in Indonesia. Makassar is also a service center in Eastern Indonesia (KTI), Makassar City has a role as a center for trade and services. The population of Makassar City in 2000 was 1,130,384 people consisting of 557,050 people and 573,334 women with an average growth of 1.65%. Makassar City community consists of several religions that live side by side in peace. The majority of the population is Muslim.

This study took a sample of consumers from Carrefour Panakkukang regardless of religious background. This location is one of the shopping places that can provide comfort and good service in Makassar. Carrefour is also one of the first and largest retail shopping places in Makassar, besides it is also an internationally licensed company.

Indonesia is a country with a majority Muslim population, as well as the city of Makassar. Islamic teachings require people to consume halal products. For Muslims consumption has its own purpose that is as a means of worshiping Allah SWT and Consuming something with the intention of hoping that Allah's blessing makes consumption worth worship so that humans get the reward. One of the verses in the Koran is related to consuming halal products, QS. AL-BAQARAH (2) 173 "Verily Allah only forbids you carcasses, blood, pork and animals which (when slaughtered) are called (names) besides Allah. But whoever is in a state of compulsion (eat it) while he does not want it and does not exceed the limits, there is no sin for him. Truly Allah is Forgiving, Most Merciful. "Thus halal products are very important for Muslims.

Cosmetic products which are the object of research are Wardah. Wardah is one of the Indonesian products that carries the halal brand image. It aims to make consumers feel safe when using their products, especially Muslims. A product is said to be of quality if the product is able to meet consumer expectations. Wardah presents innovative formulas that are safe, lawful and practical to meet the needs and tastes of its consumers. In addition, Wardah also

offers relatively affordable prices for all groups. The following is a picture of the research framework.



#### RESEARCH METHODS

This type of research used in this research is a survey quantitative research with a field approach. This study uses the same structured or systematic questions to many people, and then all answers obtained by researchers are recorded and processed and analyzed. These structured questions are known as questionnaires. The sampling technique was conducted randomly on 55 respondents. This research was conducted for approximately 2 months, namely in May - 2019.

Data collection techniques used in research are:

## a) Observation

Researchers conduct observations and research in general by going / looking for and asking whether the respondent uses wardah cosemetic products, with the aim of obtaining a general picture of the assessment of product quality and price.

# b) Questionnaire

Done by submitting a list of statements to respondents to get the information needed to answer the research problem.

The results of data collection will be tested on the Multiple Linear Regression Test to test the hypothesis. The relationship between variables can be shown through the multiple regression formula as follows:

$$Y = a + \beta 1X1 + \beta 2x2 + e.....(1)$$

Information:

Y = Decision of Purchase

X1 = Product Quality

X2 = Price

 $\alpha$  = Constant

e = Confounding Variable

β1 = Product Quality Variable Regression Coefficient

β2 = Price Variable Regression Coefficient

## **RESEARCH RESULT**

Multiple linear regression analysis is carried out to determine the influence of the independent variable with the dependent variable measured using the regression coefficient. The multiple linear regression analysis, can be seen in the table as follows:

Multin	le I inear	Regression	Test
Mulub	ie Linear	Regression	rest

Independent variabel	Dependent Variable	В	Beta	Sig	Information
Product quality	Purchase Decision	.506	.347	.006	Significant
Harga	Purchase Decision	.399	.334	.009	Significant
R = .556					
R Square = .309					
F = 11.609  Sig  .000					

Based on the data in the table above, the results of the regression analysis can be seen from the multiple regression equation as follows:

$$Y = 2,096 + 0,506(X1) + 0,399(X2)$$

- 1. The coefficient value on the product quality variable (X1) is positive, that is 0.506, meaning that every change in the product quality variable (X1) by 1% will increase the product purchase decision (Y) by 0.506 assuming the price variable (X2) is considered constant.
  - Regression test results showed a significant positive effect on product quality on purchasing decisions, with a coefficient of 0.506 and a significant value of 0.006. This shows that the higher the quality of the product, the higher the effect on wardah cosmetics purchasing decisions means that there is a quality product in accordance with the needs and desires of consumers to make the purchase. The quality of a product is one of the considerations of consumers in making purchasing decisions.
  - This is also in line with research conducted by Wangean, R.H. (2014) with the title of brand image analysis. Product quality and price influence on consumer purchasing decisions on all new kia cars in the city of Manado. Quantitative research and analytical methods used to analyze the effect of product quality variables on purchasing decisions is to use multiple regression analysis. The results showed that the product quality variable had a positive and significant influence on purchasing decisions.
- 2. The coefficient value on the price variable (X2) is positive that is equal to 0.399 meaning that every change in the price variable (X2) by 1% will increase the purchasing decision (Y) by 0.339, assuming that the product quality variable (X1) is considered constant. The regression test results showed that the price variable had a significant positive effect on purchasing decisions, with a coefficient of 0.399 and a significant value of 0.009. This means that the more appropriate the price offered with the purchasing power of consumers will have a good effect on increasing consumer purchasing decisions. The results of this study are in line with research conducted by Mariana (2015) with the title influence of product quality and price on product purchasing decisions in the UD Amplang SME industry. Ray fortune as a quantitative study with a survey method conducted using a questionnaire. The sampling technique uses accidental sampling. The results of his research indicate that there is a positive and significant effect of price on product purchasing decisions.

#### **CONCLUSION**

Based on the results of the analysis and discussion obtained, the following conclusions can be made:

- 1. Quality of products with a halal brand image can make consumers more confident to make purchasing decisions for wet cosmetic products.
- 2. Affordable prices have a positive and significant effect on purchasing decisions for wardah cosmetics.

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