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Abstract

This study examined the effect of digital marketing, product quality, and price on purchase decisions in the Ruri convection home industry in Punteut, Lhokseumawe City. This study used primary data obtained by distributing questionnaires to 108 respondents selected using the purposive sampling method. The data analysis methods used were multiple linear regression and simple regression methods with the help of SPSS. The results of the study partially showed that digital marketing had a positive and significant effect on purchase decisions at the Ruri convection home industry in Punteut, Lhokseumawe City, product quality had a positive and significant effect on purchase decisions at the Ruri home convection industry in Punteut, Lhokseumawe City, and the price had a positive and significant effect on purchase decisions in the Ruri convection home industry in Punteut, Lhokseumawe City. Simultaneously, digital marketing, product quality, and price had a positive and significant effect on purchase decisions at the Ruri convection home industry in Punteut, Lhokseumawe City.

Keywords: Purchase Decision, Digital Marketing, Product Quality, Price

1. INTRODUCTION

In the current era of globalization, the world is filled with various digital things that make it easier for humans to communicate. This is due to the development of the internet. One of the effects of internet development is the emergence of companies that use the internet by conducting digital marketing. Utilizing digital-based marketing concepts is considered the most effective strategy that can be used by MSMEs. This phenomenon is because digital marketing can reach consumers more widely because there are no geographical boundaries and can be accessed at any time without time limits. The phenomenon of widespread digital sales has inspired the Ruri convection home industry to use social media in marketing its products. The use of social media by the Ruri convection home industry is interactive marketing, so that it can build good communication with consumers and potential consumers. Apart from that, differences in quality can also give rise to consumer perceptions of the products offered, which will influence consumers in the purchasing decision process. Entrepreneurs must pay attention to product quality, because product quality will be the difference between similar products produced by one company and similar products produced by other companies. The perception that often applies is that high prices reflect high quality (Tjiptono, 2010). Competitive prices will certainly increase consumers' desire to buy a product. Purchasing decisions made by consumers in choosing or determining a product to buy do not just happen. Consumers will make many considerations before deciding to buy, for example considering the quality, appearance, quality and price of a product. Based on several previous studies, such as research conducted by Criveanue and Popescu (2018), it was concluded that price is a very important aspect, which can produce significant changes at the level of purchasing decisions. Other research conducted by Nia Wati (2019), Rahman and Hariri (2018) also shows that price, product quality and online marketing have a significant effect on purchasing decisions.

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2. LITERATURE REVIEW

Buving Decision

To understand consumer purchasing decision making, one must first understand the nature of consumer involvement with the product or service (Sutisna, 2003). This means that marketers must try to identify what causes someone to feel compelled to participate or not in purchasing a product or service. Consumers assume that there is a relationship between price and product quality, so they will compare one product with other products, then consumers decide to buy that product.

Digital Marketing

According to Kotler and Armstrong (2018) digital marketing and social media involve the use of digital marketing tools such as websites, social media, mobile ads and applications, online videos, emails, blogs and other digital platforms to reach consumers anywhere, anytime via computer, smartphones, tablets, TVs and other digital devices. Currently, it is important for companies to be able to reach consumers with several social media sites such as Facebook, Instagram, WhatsApp and other online applications which will be a solution for solving consumer problems in terms of shopping.

Product Quality

Consumers can use their form of assessment to determine and make their purchasing decisions, especially in purchasing quality products. Based on the consumer's perspective, quality is defined as the level of a product's ability to fulfill what the consumer expects of the product they own (Assauri, 2008). Seen from this understanding, companies or marketers must be able to meet consumer expectations for their products in order to satisfy consumers and maintain the company's competitiveness in the business environment.

Price

According to Kotler and Armstrong (2018), there is a negative relationship between the price set and purchasing decisions because the higher the price of a product, the lower the purchasing decisions made by consumers. Companies must be wiser in setting prices, because price will always be linked to the quality of the product, if the price set is not in accordance with the quality of the product, it will affect consumers' decisions in purchasing the product.

Influence Digital Marketing on Purchasing Decisions

In today's digital era, digital marketing via social media is becoming increasingly popular, consumers can easily find out information about the products they want. By doing digital marketing, consumers will be increasingly interested in buying a product that is marketed according to their wishes. Previous research results found that digital marketing had a positive and significant effect on purchasing decisions, indicating that intensive digital marketing was able to increase purchasing decisions (Widya, 2017; Nurcahyo, 2018).

The Influence of Product Quality on Purchasing Decisions

Product quality will increase the number of consumers making purchasing decisions on desired and expected products. By paying attention to the quality of the products being marketed, marketers can convince consumers to make purchases. Several previous studies found that product quality has a positive and significant effect on purchasing decisions, indicating that the better the product quality, the purchasing decisions made by consumers will also increase (Wijaya and Hongdiyanto, 2016; Allysa et al, 2018).



The Influence of Price on Purchase Decision

According to Kotler and Armstrong (2018), there is a negative relationship between the price set and purchasing decisions because the higher the price of a product, the lower the purchasing decisions made by consumers. Previous study found that price influences purchasing decisions (Wijaya and Hongdiyanto, 2016).

The Influence of Digital Marketing, Product Quality and Price on Purchasing Decisions

Digital promotions have a lot of influence on consumers' decisions to make purchases. Apart from that, companies must also pay attention to the quality of the products produced in order to fulfill consumer desires because product quality as an element of product attributes is one of the attributes that is considered important for consumers so that product quality will have a big influence on purchasing decisions. Then price is also an important consideration in making decisions to purchase a good or service. This is supported by previous research conducted by Nia Wati (2019), Hariri (2018), Fransilia et al, (2019), and Fredyan Alan Werry (2020) which proves that digital marketing, product quality and price have a positive effect on purchasing decisions.

Based on this discussion, the hypothesis of this research is:

- H1: Digital marketing has a significant influence on purchasing decisions at the Ruri convection home industry in Punteut, Lhokseumawe City.
- H2: Product quality has a significant influence on purchasing decisions at the Ruri convection home industry in Punteut, Lhokseumawe City.
- H3: Price has a significant influence on purchasing decisions at the Ruri convection home industry in Punteut, Lhokseumawe City.
- H4: Digital marketing, product quality and price have a significant effect on purchasing decisions at the Ruri convection home industry in Punteut, Lhokseumawe City.

3. RESEARCH METHODS

Population and Sample

According to Indriantoro and Supomo (2002), population is a group of people, events or everything that has certain characteristics. What will be used as the population in this research are all consumers who make purchases at the Ruri convection home industry, the number of which is not known with certainty. Sampling was carried out because the population was large. The sampling technique used in this research is non probability sampling. The collection of respondents (samples) was carried out using the purposive method, namely a sample selection technique with special considerations so that it is suitable to be used as a sample. According to Hair et al., (2010), if the sample size is too large, for example 400, then the sampling method becomes very sensitive so it is difficult to obtain good goodness-of-fit measures. So it is recommended that the minimum sample size is 5-10 observations for each parameter being estimated. In this study, the number of samples was 105 people who made purchases at the Ruri convection home industry. So, with a total of 21 indicators multiplied by 5. So, through calculations based on this formula, the sample size for this research was 105 people.

Data Collection Technique

The data collection technique used in this research is by using a questionnaire. According to Sekaran (2006) a questionnaire is a list of written questions that have been previously formulated which respondents will answer usually in clearly defined alternatives.

Operational Definition of Variables

An operational definition is a definition given to a variable by giving it the meaning of specializing activities or justifying an operation to measure that variable. The research carried out will use tools in the form of questionnaires, where respondents' answers will be measured using an interval scale. Then the variables being measured are translated into indicator variables. Then these indicators are used as a starting point for compiling instrument items which can be in the form of questions or statements.

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Table 1 Operational Definition of Variables

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Variable	Definition	Indicator	Scale			
Purchase	Purchasing decisions are consumer	Product Selection	Likert			
decision	behavior in deciding whether to buy or	2. Brand choice				
(Y)	not to buy products produced by the	3. Purchase Channel				
	Ruri convection home industry.	Selection				
		4. Determining the Time				
		of Purchase				
		5. Purchase amount				
		6. Payment method				
		(Kotler and Keller,				
		2012)				
Digital	Digital marketing is product marketing	1. Interactive	Likert			
marketing	activities carried out digitally, such as	2. Incentive Programs				
(X1)	the Ruri convection home industry	3. Site design				
	which uses social media Facebook,	4. Cost				
	WhatsApp and Instagram.	(17: 2002)				
		(Kim, 2002)	~			
Product	Product quality is the ability of the	1. Performance	Likert			
quality	products produced by the Ruri	2. Durability				
(X2)	convection home industry to meet	3. Conformity to				
	consumer expectations.	specifications				
		4. Feature				
		5. Reliability6. Aesthetics				
		7. Quality impression				
		(Saidani and Arifin, 2012)				
Price	Price is the amount of money that	1. Affordability	Likert			
(X3)	consumers have to pay to get or own	2. Payment flexibility				
	products from the Ruri convection home	3. Discounts				
	industry.	4. Price competitiveness				
		(Purwati et al, 2012)				

Analysis Method

This research uses multiple regression analysis with the following equation model:

$Y = \beta 0 + \beta 1X1 + \beta 2X2 + \beta 3X3 + e$

Where:

Y = Purchase Decision β0 = Constant/intercept β1, β2, β3 = Regression coefficient X1 = Digital Marketing X2 = Product Quality

X3 = Price e = Error term



4. RESULT AND DISCUSSION

Test Research Instruments

According to Ghozali (2016), a questionnaire can be said to be valid if the statement that is an indicator of a construct contained in the questionnaire is able to reveal something that the questionnaire will measure, and explains that if r value > r table, meaning that the statement or indicator is valid. If r value < r table, meaning that the indicator or statement is invalid.

Table 2 Validity Test Results

Table 2 validity Test Results						
Variable	Indicator	A	r table	r count	Information	
Purchase Decision (Y)	 Product Selection Brand choice Purchase Channel Selection Determining the Time of Purchase Purchase amount Payment method 	0.05	0.189	0.550 0.612 0.416 0.745 0.606 0.671	Valid	
Digital Marketing (X1)	 Interactive Incentive Programs Site design Cost 	0.05	0.189	0.732 0.657 0.368 0.681	Valid	
Product Quality (X2)	 Performance Durability Conformity to specifications Feature Reliability Aesthetics Quality impression 	0.05	0.189	0.558 0.611 0.637 0.640 0.711 0.519 0.705	Valid	
Price (X3)	 Affordability Payment flexibility Discounts Price competitiveness 	0.05	0.189	0.276 0.312 0.405 0.490	Valid	

The validity test is carried out by comparing the r value with r table for degree of freedom (df) = n-2, in this case n is the number of samples. Large (df) = 108-2 then we get the number 106, and alpha = 0.05 we get an r table of 0.1891. Reliability test is an index that shows the extent to which a measuring device is reliable. According to Ghozali (2016), reliability testing is used to measure the accuracy or consistency of an instrument. If it is used to measure the same set of objects many times, it will produce similar results. A questionnaire is said to be reliable if the answers given to the statements are consistent. A construct or variable is said to be reliable if it gives an alpha value> 0.60, meaning the variable is reliable/trustworthy. This means that the data in the research is suitable for use in subsequent analysis.

Classic Assumption Test

1. Normality test

The regression model used must meet the normality assumption. Normality detection is done by looking at the normal probability plot graph.

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Normal P-P Plot of Regression Standardized Residual

Dependent Variable: KeputusanPembelian

Figure 1 Normal P-Plot

The results of the Normal P-Plot image show that the regression model meets the normality assumption because on the normal P-Plot graph you can see the points that are close to Garis and spread around the diagonal line so that it shows very significant results.

2. Multicollinearity Test

The multicollinearity test aims to test whether the regression model finds a correlation between the independent variables.

Table 3 Multicollinearity Test

No	Variable	Toleranc	VIF
1	Digital	0.528	1,89
2	Product quality	0.606	1,65
3	Price	0.481	2,08

The multicollinearity test results show there is no multicollinearity between the variables studied. The VIF value for the digital marketing variable is 1.895 < 10 and a tolerance value of 0.528 > 0.10. The VIF value for the product quality variable is 1.651 < 10 and a tolerance value of 0.606 > 0.10. The VIF value for the price variable is 2,080 < 10 and a tolerance value of 0.481 > 0.10. So it can be concluded that there is no multicollinearity between the variables studied.

3. Heteroscedasticity Test

The Heteroscedasticity Test aims to test whether in the regression model there is inequality of variance from the residuals of one observation to another (Ghazali, 2016). Whether there is heteroscedasticity or not can be seen from the scatterplot graph between the predicted value of the dependent variable, namely ZPRED, and the residual SRESID.

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Scatterplot

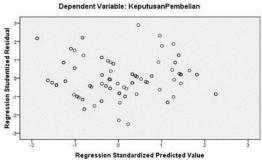


Figure 2 Uji Heteroscedasticity

The results of the heteroscedasticity image show that the points are spread evenly within, above and below the number 0 on the Y axis. Apart from that, these points do not form a particular pattern, so it can be concluded that there are no symptoms of heteroscedasticity in this study.

Hypothesis Result Testing

Table 4 Summary of Regression Results

Buying decision						
Variable	В	Sig.	R2	tcoun t	ttable	
Digital Marketin g	0.565	0,000	0.414	8,654	1,983	
Product quality	0.689	0,000	0.513	10,57 0	1,983	
Price	0.698	0,000	0.431	8,958	1,983	

Based on the results of a simple linear regression carried out by researchers, the *t value* for the digital marketing variable (X1) was 8.654>t table 1.983 and the significant value was 0.00<0.05, thus the digital marketing variable had a positive and significant effect on purchasing decisions. Then it can be seen that the coefficient of determination value obtained is 0.414. This means that the influence of the digital marketing variable (X1) on the purchasing decision variable (Y) is 41.4%, while the remaining 58.6% of the purchasing decision variable is influenced by other variables. Based on the results of a simple linear regression carried out by researchers, the t statistic value for the product quality variable was 10.570> t table 1.983 and the significant value was 0.000<0.05, thus the product quality variable had a positive and significant effect on purchase decisions. Then it can be seen that the coefficient of determination value obtained is 0.513. This means that the influence of the product quality variable (X2) on the purchasing decision (Y) is 51.3%, while the remaining 48.7% of the purchasing decision variable is influenced by other variables.

Based on the results of a simple linear regression carried out by researchers, the t statistic for the price variable was 8.958>t table 1.983 and the significant value was 0.000<0.05, thus the price variable had a positive and significant effect on purchase decisions. Then it can be seen that the coefficient of determination value obtained is 0.431. This means that the influence of the price

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variable (X3) on the purchasing decision variable (Y) is 43.1%, while the remaining 56.9% of the purchasing decision variable is influenced by other variables.

Table 5 Test Results of the Effect of Digital Marketing, Product Quality and Price on Purchasing Decisions

Variable	Fcou nt	Ftabl e	Sig.	Adj. R Square	В
(Constant)					0.465
Digital marketing	58,76 2	2.69	0,000	0.618	0.224
Product quality				0.010	0.429
Price					0.235

Based on the test results above, the multiple linear regression equation is obtained:

Y = 0.465 + 0.224X1 + 0.429X2 + 0.235X3

In the multiple linear regression model, the purchase decision constant value is 0.465, meaning that if the value of the independent variables (X1, X2 and X3) is 0, then the dependent variable (Y) is 0.046. The regression coefficient for each independent variable is positive, meaning that purchasing decisions at the Ruri convection home industry in Punteut, Lhokseumawe City are influenced by digital marketing, product quality and price.

Summary of Hypothesis Testing Result

Table 6 Summary of Hypothesis Proving

Hypothesis	Sound Hypothesis	Note
H1	Digital marketing has a significant influence on purchasing decisions in the Ruri convection home industry in Punteut, Lhokseumawe City.	Accepted
H2	Product quality has a significant influence on purchasing decisions at the Ruri Convection Home Industry in Punteut, Lhokseumawe City.	Accepted
Н3	Price has a significant influence on purchasing decisions at the Ruri convection home industry in Punteut, Lhokseumawe City.	Accepted
H4	Digital marketing, product quality and price have a significant influence on purchasing decisions at the Ruri convection home industry in Punteut, Lhokseumawe City.	Accepted



5. CONCLUSION

Based on the results of the analysis that has been carried out, it can be concluded that:

- 1. Digital marketing used by the Ruri convection home industry as a marketing tool influences purchasing decisions for products produced by the Ruri convection home industry in Punteut, Lhokseumawe City. This shows that the better digital marketing is implemented, the more purchasing decisions at the Ruri convection home industry will increase.
- 2. The quality of each product produced influences purchasing decisions at the Ruri convection home industry in Punteut, Lhokseumawe City. This shows that the higher the quality of the product produced, the higher the purchasing decision at the Ruri convection home industry.
- 3. The price set for the product produced influences purchasing decisions at the Ruri convection home industry in Punteut, Lhokseumawe City. This shows that the more competitive the price level given, the impact it will have on the level of purchasing decisions at the Ruri convection home industry.
- 4. Together marketing via digital, product quality is a priority, and prices offered are in accordance with product specifications influence purchasing decisions at the Ruri convection home industry in Punteut, Lhokseumawe City. This shows that if the digital marketing variables, product quality and price are considered and implemented well, then purchasing decisions in the Ruri convection home industry will also increase.

Suggestion

From the research conducted by the author, basically the digital marketing strategy carried out by the Ruri convection home industry has been running well, the products produced are of high quality and the prices set are affordable, but there are still several things that need to be improved. Such as optimizing the use of digital marketing in marketing products, such as uploading interesting posts on the social media used, and having to quickly respond to complaints or suggestions from consumers in the social media comments column. Apart from that, it is hoped that we will maintain or, if possible, improve product quality, especially product characteristics, so that we can remain competitive, so that consumers will be more interested and consumer purchasing decisions will increase. For future researchers, it is hoped that researchers will not focus on the factors in this research, namely digital marketing, product quality and price, but can add other factors that might influence purchasing decisions. Future researchers are expected to be able to add or use different research objects.

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