Research Paper   Open Access

The Effect of Product Diversification, Price and Product Quality on Cracker Purchase Decisions

Arivandy Wahyu Maulana, Nurul Qomariah, Ahmad Izzudin
Universitas Muhammadiyah Jember
Corresponding Author: NurulQomariah

ABSTRACT : This study aims to determine the effect of product diversification, price and product quality on the purchasing decision of BesukiSitubondo's "Cap Gunting" crackers. The population in this study were all buyers of Cap Gunting crackers. The number of samples in this study amounted to 90 respondents obtained by incidental sampling technique. The measuring instrument used in this research is a questionnaire. Test data instruments (test validity, and test reliability) to test the measuring instrument in the form of a questionnaire. Multiple linear regression analysis was used to determine the effect of the independent variable on the dependent variable. Hypothesis testing in the form of F test and t test were used to test the developed hypothesis. The results of the analysis show that the variables of product diversification, price and product quality all have a positive effect on the purchasing decision of Besuki Situbondo's "Cap Gunting" crackers.
KEYWORDS -*product diversification; price; product quality; buying decision.*

I. INTRODUCTION

Business development in the era of the 21st century has grown very rapidly and underwent continuous metamorphosis, where one example of this change is in terms of changes in technology and lifestyle. Changes in technology and lifestyle can not be separated from the influence of globalization that is now happening. In this era of globalization, the number of brands and products that compete in the market becomes very large so that consumers have a variety of choices and alternative products and services that can meet their needs. (Kotler & Keller, 2016). Konsumen berhak memilih produk sesuai yang mereka inginkan. With the competition that occurs, it requires business people to carry out strategies in order to compete in the market. Every business actor in each business category is required to be sensitive to any changes that occur and place an orientation to customer satisfaction as the main goal (Kotler & Keller, 2016).

Consumer purchasing decisions are one of the most important goals in marketing. Every consumer will be faced with two choices, namely buying or not buying. If the consumer decides to buy, then he is in a position to make a decision (Tjiptono, 2007). If consumers are satisfied with the product they buy, then consumers will show a higher probability of buying the product(Qomariah, 2016). On the other hand, if consumers are not satisfied, they may leave or return the product. Decision making begins with a need that is trying to be fulfilled. Therefore, marketers must know the needs and wants of consumers. Because by knowing the needs and desires of consumers correctly, the company will be able to provide products and services with superior quality. So that consumers can choose alternative products before making purchasing decisions from the various products offered(Buchari, 2012).

Efforts that need to be made by companies to survive and win business competition is to understand consumer behavior that will influence consumer purchasing decisions, one of which is by offering a variety of products. Purchasing decisions are important things that need attention for product and service providers. There are many factors that can improve the purchasing decisions made by consumers. Product diversity, price and product quality are factors that can increase consumer purchasing decisions.

Product diversity is the collection of all products and goods offered for sale by a particular seller. The variety of products a company produces includes the width, length, depth, and consistency of the product mix (Kotler, 2015). Product diversification is adding new products that are related or unrelated to the old product. Various kinds of products can give the impression to consumers to make a selection of the products purchased. The more products that are provided, the consumers have many choices to choose which product to buy. Thus, it is certain that the variety of products and services provided by product and service providers will increase consumer desire to make purchases.

Research(Dakhi et al., 2020) which examines the effect of product diversification on purchasing decisions, the results of his research indicate that product diversification has a significant effect on purchasing decisions at the Paguyuban Bakery and Cake, TelukSubdistrict in South Nias Regency. Previous research conducted by (Bachtiar, 2018)which examines the effect of product diversification on purchasing decisions, because product diversification is carried out by a company as a result of implementing product development.

Potential consumers will first consider various factors related to the products offered. The factor that will determine whether a business will make a profit or not is the price of the product offered to be accepted by consumers.(Kotler, 2019)stated that the business world and companies are required to have information facilities that can support their business activities, especially technological developments in the marketing field so that their products are still known to consumers so as to generate public interest in buying. Previous research conducted by (Qomariah et al., 2021), (Sa'dullah & Azhad, 2015), (Qomariah, 2011b), (Aminullah et al., 2018), (Napik et al., 2018), (Agustina et al., 2018), (Angga & Santoso, 2015), (Hermawan, 2015), (Apriliana & Sumowo, 2015), (Qomariah et al., 2020), (Kusnanto et al., 2020), (Sudjatmika & Vania, 2017), (Wati, 2013), (Jamaludin, 2015), (Qomariah, 2011a), (Qomariah et al., 2021), (Qomariah et al., 2020) conduct research that links prices with purchasing decisions made by consumers.

Another factor that will determine whether a customer buys a product or not is the quality of the product. (Kotler & Keller, 2016)said that product quality is a potential strategic weapon to beat competitors. So only companies with the best product quality will grow rapidly, and in the long run these companies will be more successful than other companies. Previous research conducted by (Napik et al., 2018)shows that product quality has a significant effect on purchasing decisions. Study (Agustina et al., 2018) found that product quality has a positive and significant influence on purchasing decisions. Research result (Rumengan et al., 2015), (Apriliana & Sumowo, 2015) found that product quality has a significant effect on purchasing decisions.

The development of the cracker business in Besuki is currently growing, the management of Besuki's "Cap Gunting" Crackers must fight hard in retaining existing customers. This is very important because there is very tight competition from other cracker business people. The diversification, price and quality of the products offered by Besuki "Cap Gunting" crackers are very good, affordable and in accordance with the purchasing power of all people and can satisfy consumer needs, so the consumer's decision to buy Besuki "Cap Gunting" crackers will be greater . Because before consumers decide to buy, consumers first make decisions including the process of feeling and evaluating product information, considering how their alternatives can meet consumer needs and ultimately deciding what brand to buy. From the explanation related to the theory and previous research as well as the phenomena that occur in the object of research, the formulation of the problem in this study is whether product diversification, price and product quality affect purchasing decisions in the "Cap Gunting" cracker business in Besuki Situbondo?. While the purpose of this study was to determine and analyze the effect of product diversification, price and product quality on purchasing decisions at the "Cap Gunting" cracker business in Besuki Situbondo.

II. RESEARCH METHODS

This research is a causality study that aims to measure the strength of the relationship between two or more variables, also shows the direction of the relationship between the independent and dependent variables. In other words, causality research questions the problem of causation (Kuncoro, 2013). The population in this study were all customers of Besuki Situbondo "Cap Gunting" Crackers. While the sampling technique used is incidental sampling with a sample of 90 samples. To determine the sample size used sampling technique. Determination of sampling depends on the indicators used (Arikunto, 2013) Determination of the sample in research using a questionnaire or questionnaire is determined based on the number of research indicators. The number of samples is equal to the number of indicators multiplied by 5 to 10.Descriptive analysis is part of the statistics used to describe or describe data without intending to generalize or draw conclusions but only to explain the data group (Sugiyono, 2011). To test the measuring instrument used to test the validity and reliability test. Validity test is usually used by calculating the correlation between each item score of the instrument and the total score. Reliability test is used to determine the consistency of the measuring instrument to remain consistent when the measurement is repeated. Reliability test is used to assess whether the data from the questionnaire results can be reliable or not (Ghozali, 2013). The data analysis tool used to test the research hypothesis is Multiple Linear Regression analysis (Ferdinand, 2015). The t-test was conducted to determine whether the independent variables individually had an effect on the dependent variable. While the F test is used to determine the effect of the independent variables simultaneously on the dependent variable.

III. RESULTS AND DISCUSSION
Data Instrument Test

The quality of the data generated from the use of research instruments can be evaluated through validity and reliability tests. Each of these tests is to determine the accuracy of the data collected from the use of the instrument. Research data is not useful if the instrument used to collect research data does not have high

reliability and validity (Ferdinand, 2015).The complete validity test is presented in Table 1, and the result is that the correlation between each indicator on the total construct score of each variable shows valid results, because r count > r table and significance value < 0.05. So it can be concluded that all statement items in this study are declared valid. The results of reliability testing for each variable are summarized in Table 2, and the results show that all variables have sufficient alpha coefficients or meet the criteria to be said to be reliable, which is above 0.700, so that furthermore the items in each concept of the variable are feasible. used as a measuring tool.

Table 1: Validity Test Results

No	Variables/Indicators	Criterion 1		Criterion 2		Information
		r count	r table	Value of sig.	Alpha	
	Product Diversification					
1	X1.1	0,806	0,2072	0,000	0,05	Valid
2	X1.2	0,878	0,2072	0,000	0,05	Valid
3	X1.3	0,826	0,2072	0,000	0,05	Valid
	Price					
1	X2.1	0,830	0,2072	0,000	0,05	Valid
2	X2.2	0,883	0,2072	0,000	0,05	Valid
3	X2.3	0,824	0,2072	0,000	0,05	Valid
4	X2.4	0,717	0,2072	0,000	0,05	Valid
	Quality of Product					
1	X3.1	0,706	0,2072	0,000	0,05	Valid
2	X3.2	0,846	0,2072	0,000	0,05	Valid
3	X3.3	0,795	0,2072	0,000	0,05	Valid
4	X3.4	0,617	0,2072	0,000	0,05	Valid
	Buying decision					
1	Y.1	0,763	0,2072	0,000	0,05	Valid
2	Y.2	0,830	0,2072	0,000	0,05	Valid
3	Y.3	0,799	0,2072	0,000	0,05	Valid

Table 2: Reliability Test Results

No	Variable	Alpha count	Alpha standard	Information
1	Product Diversification (X_1)	0,769	0,700	Reliable
2	Price (X_2)	0,828	0,700	Reliable
3	Quality of Product (X_3)	0,724	0,700	Reliable
4	Buying decision (Y)	0,706	0,700	Reliable

Descriptive Statistical Analysis Results

Based on the results of the calculation according to the age of the respondent, it is known that the least respondents are respondents aged 51 to 55 years, totaling 1 respondent or 1.1%. While the most respondents were aged 26 to 30 years totaling 28 respondents or 31.1% of the total respondents, which amounted to 90 respondents. Based on the results of calculations according to the sex of the respondents, it can be seen that there are more female respondents (66%) than male. Based on the results of calculations based on the education of the respondents, it is known that the least respondents are respondents with Diploma education totaling 2 respondents or 2.2%. Meanwhile, the majority of respondents with high school education amounted to 59 respondents or 65.6% of the total respondents, which amounted to 90 respondents. Based on the calculation according to the length of the respondent's subscription, it is known that the least respondents are respondents who subscribed for less than 1 year totaling 13 respondents or 14.4%. While the most respondents are those who have subscribed for more than 5 years totaling 25 respondents or 27.8% of the total respondents, amounting to 90 respondents.

Inductive Statistical Analysis Results

Quantitative analysis is an analytical method with numbers that can be calculated or measured. Quantitative analysis is intended to estimate the magnitude of the influence quantitatively from changes in one or several other events, using statistical analysis tools. Regression analysis was used to test the hypothesis about the partial effect of the independent variables on the dependent variable. The results of multiple linear regression analysis are presented in the table. 3. The hypothesis in this study was tested for truth by using a partial test. The test is carried out by looking at the t-count statistics with the t-table statistical value and the significance level

(p-value), if the significance level resulting from the calculation is below 0.05 then the hypothesis is accepted, otherwise if the significance level of the calculated result is greater than 0.05 then the hypothesis is rejected. . The test is carried out by looking at the significance level (p-value), if the significance level resulting from the calculation is below 0.05 then the hypothesis is accepted, on the contrary if the significance level of the calculated results is greater than 0.05 then the hypothesis is rejected. The ttable value is obtained from df = n-k (90-4) equal to 86. Where n is the number of samples and k is the number of research variables. So to see the ttable, you can do it by looking at the 86th row t table, which is 1.6628. The results of the t test are presented in Table 4.

Table 3: Multiple Linear Regression Analysis Results

No	Variable	Regression Coefficient	Significance
1	Constant	2,883	0,001
2	Product Diversification (X_1)	0,228	0,000
3	Price (X_2)	0,240	0,000
4	Quality of Product (X_3)	0,182	0,001

Table 4: t Test Results

No	Variable	Count Significance	t $_{Count}$	Information
1	Product Diversification (X_1)	0,000	3,87	Significant
2	Price (X_2)	0,000	5,147	Significant
3	Quality of Product (X_3)	0,001	3,438	Significant

Discussion

The Effect of Product Diversification on Purchase Decisions.

Through the results of the calculations that have been carried out, the significance level of 0.000 is obtained and it is smaller than 0.05, which means that the hypothesis is accepted with a regression coefficient of 0.228 which is positive. The results of this test prove that product diversification has a positive and significant influence on purchasing decisions. According to (Tjiptono & Candra, 2012), product diversification can be seen from two sides, namely in terms of product diversification and from the side of a new market for the company. These results support previous research by (Dakhi et al., 2020) which found that product diversification has a positive and significant influence on purchasing decisions and is in accordance with the proposed hypothesis, namely product diversification has an effect on purchasing decisions.

The Effect of Price on Purchase Decision

Through the results of the calculations that have been carried out, the significance level of 0.000 is obtained and it is smaller than 0.05, which means that the hypothesis is accepted with a regression coefficient of 0.240 which is positive. The results of this test prove that there is a positive and significant effect of price on purchasing decisions. According to(Buchari, 2012) determining this price is one of the important decisions for management. The price set must cover all costs, or even more, to make a profit. However, if the price is set too high, it will be less profitable. In this case buyers will decrease, sales volume will decrease, all costs may not be covered and eventually the company will suffer a loss. These results support previous research by (Agustina et al., 2018)which examined the effect of price on purchasing decisions, the research shows that price has a significant effect on purchasing decisions.

Effect of Product Quality on Purchase Decisions

Through the results of calculations that have been carried out, a significance level of 0.001 is obtained and it is smaller than 0.05, which means that the hypothesis is accepted with a regression coefficient of 0.182 which is positive. The results of this test prove that there is a positive and significant effect of product quality on purchasing decisions. (Kotler & Keller, 2016)states that the higher the quality of a product, the higher the consumer's decision to make a purchase. These results support previous research by (Rumengan et al., 2015)showing that product quality has a significant effect on purchasing decisions.

IV. CONCLUSIONS AND SUGGESTIONS

Based on the data analysis and discussion that has been described, the following conclusions can be drawn: 1) Product diversification has a significant effect on purchasing decisions for Cap Gunting crackers at BEsuki Situbondo. Thus the management needs to increase the number of product variants so that purchasing decisions can increase; 2) Price has a significant effect on purchasing decisions. The price set for the Cap Gunting Besuki Situbondo crackers turned out to be in line with the expectations of consumers, it was proven that the price had a positive impact on purchasing decisions; 3) Product quality has a significant effect on

purchasing decisions. The product quality of Cap Gunting Besuki Sitobondo crackers is already good and needs to be maintained so that consumer purchasing decisions increase.

As a suggestion that needs attention is that price has the greatest influence between product diversification and product quality. Therefore, the price of the Cap Gunting Besuki Situbondo cracker product needs to be maintained. For further research, it is better to include promotion variables so that purchasing decisions will also increase again.

REFERENCES

[1]. Agustina, N. A., Sumowo, S., & Wijayantini, B. (2018). PENGARUH KUALITAS PRODUK, CITRA MEREK, DAN HARGA TERHADAP KEPUTUSAN PEMBELIAN. *Jurnal Peneliti*, *3*(2), 186–196.

[2]. Aminullah, R., Suharto, A., Diansari, T., & Roisaminullahgmailcom, E. (2018). THE EFFECT OF LOCATION PRICES AND COMPLETE PRODUCTS ON PURCHASE DECISIONS. *Jurnal Manajemen dan Bisnis Indonesia*, *4*(2), 204–218.

[3]. Angga, D., & Santoso, B. (2015). ANALISIS VARIABEL-VARIABEL YANG MEMPENGARUHI KEPUTUSAN KONSUMEN UNTUK MENGGUNAKAN JASA BIRO PERJALANAN WISATA "HOBI WISATA TOUR & TRAVEL" JEMBER. *Jurnal Manajemen dan Bisnis Indonesia*, *1*(1), 1–15.

[4]. Apriliana, H. T. A., & Sumowo, S. (2015). Analisis Variabel-Variabel yang Mempengaruhi Kepuusan Pembelian Smartphome Android Merek Samsung (Studi Kasus: Mahasiswa Fakultas Ekonomi Manajemen Universitas Muhammadiyah Jember 2011-2013). *Jurnal Manajemen dan Bisnis Indonesia*, *1*(2), 121–142. http://jurnal.unmuhjember.ac.id/index.php/JMBI/article/viewFile/13/11

[5]. Arikunto, S. (2013). Prosedur Penelitian : Suatu Pendekatan Praktik. In *Jakarta: Rineka Cipta* (Ed. Revisi). https://doi.org/10.1017/CBO9781107415324.004

[6]. Bachtiar, D. I. (2018). Analisis Pengaruh Diversifikasi Produk dan Harga terhadap Keputusan Pembelian pada UKM Gula Kelapa. *Jurnal Ekonomi dan Bisnis*, 52–60.

[7]. Buchari, A. (2012). *Manajemen Pemasaran dan Pemasaran Jasa*. Alfabeta.

[8]. Dakhi, Y., Dakhi, P., & M.Sarumaha, Y. (2020). Analisis Pengaruh Diversifikasi Produk terhadap Keputusan Pembelian Konsumen Paguyuban Bakery and Cake Kabupaten Nias Selatan. *Pareto: Jurnal Riset Manajemen dan Bisnis*, *5*(1), 22–32. https://jurnal.uniraya.ac.id/index.php/pareto/article/view/151/109

[9]. Ferdinand, A. (2015). *Structural Equation Modeling dalam Penelitian Manajemen . Edisi ke 2. Semarang: BP UNDIP*. BP Universitas Diponegoro.

[10]. Ghozali, I. (2013). *Aplikasi Analisis Multivariat dengan Program IBM SPSS 21 Update PLS Regresi*. BP Universitas Diponegoro.

[11]. Hermawan, H. (2015). ANALISIS PENGARUH BAURAN PEMASARAN TERHADAP KEPUTUSAN, KEPUASAN DAN LOYALITAS KONSUMEN DALAM PEMBELIAN ROTI CERIA DI JEMBER Haris. *Jurnal Manajemen dan Bisnis Indonesia*, *1*(2), 143–161.

[12]. Jamaludin, A. (2015). PENGARUH PROMOSI ONLINE DAN PERSEPSI HARGA TERHADAP KEPUTUSAN PEMBELIAN (Survei Pada Pelanggan Aryka Shop di Kota Malang). *Jurnal Administrasi Bisnis S1 Universitas Brawijaya*, *21*(1), 85820.

[13]. Kotler, P. (2015). *Marketing an Introducing Twelfth Edition*. Pearson Education, Inc.

[14]. Kotler, P. (2019). *Manajemen Pemasaran (Marketing Management). Edisi 13*. Prentice Hall Inc.

[15]. Kotler, P., & Keller, K. L. (2016). *Marketing Management 15e*. Person Prentice Hall, Inc.

[16]. Kuncoro, M. (2013). *Metode Riset Untuk Bisnis & Ekonomi*. Erlangga.

[17]. Kusnanto, D., Haq, A. A. F., & Sandrian Fahmi, I. (2020). Pengaruh potongan harga terhadap pembelian impulsif pada pengguna aplikasi grab (grabfood). *Jurnal Manajemen*, *12*(1), 1–9. http://journal.feb.unmul.ac.id/index.php/JURNALMANAJEMEN

[18]. Napik, A., Qomariah, N., & Santoso, B. (2018). Kaitan Citra Merek, Persepsi Harga, Kualitas Produk, Dan Promosi Terhadap Keputusan Pembelian Blackberry. *Jurnal Penelitian IPTEKS*, *3*(1), 73. https://doi.org/10.32528/ipteks.v3i1.1880

[19]. Qomariah, N. (2011a). FAKTOR-FAKTOR YANG MEMPENGARUHI KEPUTUSAN KONSUMEN MENABUNG DI BANK SYARIAH (Studi Kasus Pada Bank Syariah Mandiri Cabang Jember). *JEAM*, *X*(1), 30–42. https://jurnal.unej.ac.id/index.php/JEAM/article/view/1206/969

[20]. Qomariah, N. (2011b). Faktor-Faktor Yang Mempengaruhi Keputusan Menabung di Bank Syariah (Studi Kasus Pada Bank Syariah Mandiri Cabang Jember). *JEAM*.

[21]. Qomariah, N. (2016). *Marketing Adactive Strategy*. Cahaya Ilmu. https://www.researchgate.net/publication/326623130_MARKETING_ADACTIVE_STRATEGY

[22]. Qomariah, N., Mahendra, M. M. D., & Hafidzi, A. H. (2021). The Effect Of Price Consciousness , Sales Promotion And Online Customer Reviews On Purchase Decisions At The Marketplace Tokopedia. *IOSR Journal of Business and Management (IOSR-JBM)*, *23*(6), 57–63. https://doi.org/10.9790/487X-2306045763

[23]. Qomariah, N., Wulandari, L. P., & Rozzaid, Y. (2020). Efforts to Increase Impulse Buying Through Discount Prices , Positive Emotions and Situational Factors. *International Journal of Business and Management Invention (IJBMI)*, *9*(7), 53–58. https://doi.org/10.35629/8028-0907025358

[24]. Rumengan, Novi, H., & Steven, R. (2015). Analisis Citra Merek, Kualitas Produk, dan Strategi Harga Terhadap Keputusan Pembelian Mobil Daihatsu Ayla Cabang Manado. *Jurnal EMBA*, *3*(2), 684–694.

[25]. Sa'dullah, & Azhad, M. N. (2015). Analisis persepsi kualitas layanan, harga dan lokasi terhadap keputusan perdagangan ikan. *Jurnal Manajemen Dan Bisnis Indonesia*, *1*(1), 61–75. http://jurnal.unmuhjember.ac.id/index.php/JMBI/article/viewFile/15/13

[26]. Sudjatmika, & Vania, F. (2017). Pengaruh Harga, Ulasan Produk, Kemudahan, dan Keamanan Terhadap Keputusan Pembelian Secara Online di TOKOPEDIA.COM. *Jurnal Agora*, *5*(1).

[27]. Sugiyono. (2011). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Alfabeta.

[28]. Tjiptono, F. (2007). *Service, Quality & Satisfaction*. Andi.

[29]. Tjiptono, F., & Candra, G. (2012). *Pemasaran Strategik*. Andi.

[30]. Wati, N. (2013). Analisis Pengaruh Harga, Kualitas Produk, Dan Marketing Online Terhadap Keputusan Pembelian Serta Pengaruhnya Pada Kepuasan Konsumen. *Jurnal Ilmiah Magister Manajemen UNIKOM*, 1–16. http://elib.unikom.ac.id/files/disk1/699/jbptunikompp-gdl-benazirwal-34906-10-unikom_b-l.pdf