



## The Influence Of Product Quality, Service Quality, Product Differentiation, Price Perception, And Promotion On Purchasing Decisions Of Gostreet Beauty Products

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**Abstract:** Starting to increase in beauty products that provide various benefits with the aim to always meet the needs of society, in this case, women in the beauty section. Go Street is a beauty product manufacturer that always tries to meet the needs of its consumers by always prioritizing the use of quality ingredients that are not harmful to its users. This study aims to measure the influence of product quality, service quality, product differentiation, price perception, and promotion on purchasing decisions. In this study using the accidental sampling method, a questionnaire was prepared and given to 100 respondents. After that, the results are processed with the SPSS 26 software stone tool to obtain quantitative analysis results, including validity and reliability tests, classical assumption tests, two-stage regression analysis with the Goodness of Fit test (F test), the degree of a determinant. test (R<sup>2</sup>), partial significant test (t-test) and to obtain the regression equation..

**Keywords:** Product Quality, Service Quality, Product Differentiation, Price Perception, Promotion Decisions

### INTRODUCTION

Companies engaged in the beauty product business are currently growing rapidly. In line with the increasing consumer demand for Beauty products, there are opportunities for entrepreneurs, especially the Beauty industry, to provide these needs. With so many beauty companies and brands of beauty products, consumers are increasingly careful and critical in choosing beauty products that suit their needs.

produced or modern companies, are now moving away from mass marketing and marketing of various products and approaching targeted marketing. The seller can develop the right product for each target market and adjust its prices, distribution channels, and advertisements to reach the target market efficiently.

Gostreet product company is one of the most well-known beauty product manufacturers in the beauty salon market. Beauty products include hair masks, hair toners, skin moisturizing creams, scrubs, and others.

South Tangerang City is an area with the border of the South Tangerang sub-district where there are beauty salons that provide Gostreet products. Market share Beauty products in the city of South Tangerang are boarding houses for students and employees because in South Tangerang there are campuses and factories. Based on the observations of the researcher at one of the beauty salons, in 4 hours, there were 10 consumers who bought or used products from GoStreet.

Based on this background, the researcher wants to investigate further the analysis of the effect of perceived price, promotion, and distribution on the purchase of Go Street beauty products in the South Tangerang area.

## LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

According to Budiono Pratiknyo (2001) in winning the success of a product from that company, the company must find an accurate way so that the marketing process can run well and the resulting product can be declared successful. Consumers are individuals with different characteristics. The assessment that every consumer feels about a product or service they receive is not the same. Consumers' perceptions of a price can influence their decision to buy a product so that a company must be able to provide a good perception of the products or services they sell.

The promotional media that is often used to convey information about products is advertising media. Advertising is one of the media used by companies, it can be classified according to its purpose, namely, to provide information, persuade, and remind (Kotler, 1993). Thus, in general it can be said that the purpose of advertising is to increase profitable sales Swastha, (2007).

There are three basic philosophies as a guide for companies to approach the market, namely mass marketing where the decision to mass produce and distribute products, marketing of various products that provide different product choices for different segments, and targeted marketing that develops products for specific markets Kotler, (2007).

Every consumer will want to buy products at low prices and companies want to explain their products by providing promotions. According to Tjiptono (2007) contained in a quote from Christian AD Selang (2013), promotion is a form of marketing communication which is a marketing activity that seeks to disseminate information about products, influence / persuade, and/or remind target markets for the company and its products in order to be willing to accept, buy, and be loyal to the products offered by the company concerned.

In addition, for sales, it is calculated as a whole from the total achieved. So if the sales volume increases and distribution costs decrease, the level of achievement of company profits increases. On the other hand, if the sales volume decreases, the company's profit achievement decreases. According to Abdullah in Irman (2004) quoted by Ida Bagus Komang Ary Wardana (2015), sales volume is the number of sales a company wants to achieve within a certain period of time. factors that influence sales, namely:

1. Producers Producers influence sales, namely in producing goods and determining prices, including raw material costs, labor costs, and prices.
2. Consumers Consumers can influence sales because of the following:
  - a. Purchasing Power Purchasing power affects sales because if the purchasing power of consumers increases, sales will also increase. However, the increase in purchasing power will cause the company to increase the price of its goods because the company's workers ask for an increase in wages. Meanwhile, if the purchasing power of consumers decreases, sales will increase. This is because the price is not comparable to the costs incurred by the company.
  - b. Consumer Tastes Changes in consumer tastes can affect sales because if consumers change, it is possible that these consumers will move to other products due to decreased sales.
  - c. Producer and Consumer Factors Factors outside producers and consumers that influence sales are The existence of government regulations concerning trade, taxation, monetary policy, and so on and the role of wholesalers, for example, hoarding goods within a certain time so as to affect sales.

### Relationship between Research Variables

1. The Relationship between Price Perception and Decision

Purchasing When a customer evaluates and assesses the price of a product, it will be strongly influenced by the customer himself (Voss and Giroud, 2000). The evaluation of the price of a product is said to be cheap, expensive, or just ordinary, for each individual is not the same, because it depends on the individual's perception that is motivated by the environment and individual conditions. Customers in assessing the price of a product, not only from the absolute nominal value but through the perception of the price. A company needs to monitor the price set by competitors so that the price set by the company is not too high or vice versa so that the price offered can lead to consumers' desire to make purchases. In his book, Angipora (2002) states that a price has an effect on purchases.

## 2. Promotion Relationship with Purchase Decisions

Promotion is one of the variables in the marketing mix that is very important for companies to implement in marketing their products or services. Promotion is all types of marketing activities aimed at driving demand, and demand is related to consumer purchasing decisions. Promotion is one of the determining factors for the success of a marketing program. No matter how good the product quality is, but consumers have never heard of it and are not sure that the product will not be useful for them, so they will not buy it (Private and Irawan, 2003).

## 3. Distribution Relationship with Purchasing Decisions

Distribution channels are channels used by producers to distribute products to consumers or various company activities that seek to get products to consumers. Distribution channels are important because the goods that have been made and the price have been fixed still face problems, which must be delivered to consumers. The distributors can be a tool for companies to get feedback from consumers in the market. Development of quality relationships obtained from the synergy that is built between the company's capabilities and company resources in marketing products. Intensive distribution reduces the length of time consumers look for stores, provides a place that is easy to find and makes it easier for consumers to find the products they want.

## METHODS

Population is a combination of all elements in the form of events, things, or people with similar characteristics that are the center of researcher's attention, therefore it is seen as a universe of research (Ferdinand, 2006). In this study the population in question is the people who use GoStreet beauty products in the South Tangerang area.

Determination of the sample in this study using non-probability sampling with the sampling method used was accidental sampling, namely the sampling method carried out by selecting the group to be targeted and met during the research based on the criteria set by the researcher. These criteria are Gostreet Product Users in South Tangerang City

In an effort to answer the problems in this study, multiple linear regression analysis was used (Multiple Regression). Regression analysis is basically a study of the dependence of the dependent variable (bound) with one or more independent (free) variables, with the aim of estimating and predicting the population average or the values of the dependent variable based on the known value of the independent variable (Ghozali, 2009).

For regressions where the independent variable consists of two or more, the regression is also called multiple regression. Because more than one independent variable is used, the regression in this study is called multiple regression.

The regression equation in this study is to determine how much influence the independent or independent variables have, namely price perception ( $X_1$ ), promotion ( $X_2$ ), product distribution ( $X_3$ ) on the dependent variable, namely purchasing decisions ( $Y$ ).

The determination of the regression function in estimating the actual value can be measured from the Goodness of Fit, at least this can be measured by the F value, t-test, and the coefficient of determination. The calculation is called significant if the value of the F test and t-test are in a critical area (the area where  $H_0$  is rejected). Conversely, it is said to be insignificant if the value is in the area where  $H_0$  is accepted.

## 1. Simultaneous Significance Test

The F statistical test basically shows whether all the independent or free variables included in the model have a joint influence on the dependent/dependent variable (Ghozali, 2006). In the F test, if the level of significance is less than 0.05, it can be stated that the independent variables simultaneously or jointly affect the dependent variable (for the significance level = 5%), then the independent variables simultaneously affect the dependent variable. Meanwhile, if the probability value is greater than 0.05, the independent variable is not simultaneously affect the dependent variable.

## 2. Significance Test of Individual Parameters

The t statistical test basically shows how far the influence of one explanatory/independent variable individually in explaining the variation of the dependent variable (Ghozali, 2006).

## 3. Determination Coefficient Test (R<sup>2</sup>)

The coefficient of determination (R<sup>2</sup>) test is used to measure the ability of the model to explain the variation in the dependent variable. The coefficient of determination is between zero and one. The small value of R<sup>2</sup> means that the ability of the independent variables to explain the variation in the variable is very limited. Meanwhile, a value close to one means that the independent variables provide almost all the information needed to predict the variation in the dependent variable (Ghozali, 2006).

## RESULT AND DISCUSSION

Based on the results of research and discussion, it can be concluded that:

1. There is a significant effect of 33.3% between price perceptions on sales volume while the remaining 66.7% is influenced by other factors that are not in the test.
2. There is a significant effect of 22.6% between distribution channels on sales volume, while the remaining 77.4% is influenced by other factors that are not tested.
3. There is a significant effect of 32.6% between promotions on sales volume while the remaining 67.4% is influenced by other factors that are not in the test.
4. There is a significant effect of 23.9% between product quality on sales volume while the remaining 76.1% is influenced by other factors that are not tested.
5. There is a simultaneous effect of 92.5% between the effect of perceived price, distribution channels, product quality, and promotion on sales volume

## CONCLUSIONS

Based on the results of the research that has been done, the authors suggest that GoStreet:

1. Keep providing consistency in providing good prices so that consumers (agents) who make purchases are still satisfied.
2. Increase the number of agents in West Java in order to increase sales.
3. Conducting various kinds of expos, bazaars, and various kinds of advertisements in order to increase sales through promotions.
4. Maintain product quality so that consumers can be satisfied using the goods purchased
5. Maintain the reputation Gostreet has had in order to maintain consumer and distributor loyalty.

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