

Determinants Affecting Consumer Purchase Decisions in The New Normal Era

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The purpose of this study is to determine the effect of product quality on purchasing decisions in the new normal era, to determine the effect of price on purchasing decisions in the new normal era, to determine the effect of promotion on purchasing decisions in the new normal era, to determine the effect of product quality price and promotion on purchasing decisions in the new normal era. The population in this study were Shopee users in the city of Medan. The data analysis tools used are descriptive statistics and SPSS statistics. The results showed that product quality price and promotion partially had a positive and significant effect on purchasing decisions. Simultaneously it is also known that product quality, price and promotion simultaneously have a positive and significant effect on purchasing decisions.

Keywords: Price, Product Quality, Promotion, Purchase Decision

JEL Classification: M31, M30, M39

INTRODUCTION

The current era of digitalization makes technology run faster, which makes business competition even tighter. This makes producers to think more critically, creatively and innovatively to the changes that occur, both in the social, cultural, political and economic fields. The most important thing that a company should do to succeed in business competition is to try to build a company strategy to achieve the goal of increasing and retaining consumers. In order for these goals to be achieved, every company must strive to produce goods and services that are in accordance with the needs and desires of consumers. However, the world is currently in a complicated situation where a new virus emerged at the end of 2019, namely *Covid-19 (corona virus disease 2019)*.

The Covid-19 pandemic that has hit the world has not only had an impact on the economy, but also on changes in consumption behavior for essential goods, both primary and secondary. According to Seth (2020), the presence of the Covid-19 pandemic has caused a modification of consumer behavior which is influenced by regulations and procedures from how to shop and buy products they need (Sheth, 2020). Consumer decision making in shopping or buying products according to various consumer behavior books shows that there are three determining factors, including the need for recognition (Blackwell, Miniard, & Engel, 2001), search of information (Hawkins, Mothersbaugh, & Best, 2007), and pre-purchase evaluation or alternatives (Schiffman & Kanuk, 2007). In addition to these three factors, there are also external factors that become determinants such as individual differences and the influence of the environment.

LITERATURE REVIEW

Product Quality

According to Tjiptono (2012), product quality is a consumer's assessment of a product's advantages or features. According to Kotler and Keller (2016), product quality is the ability of a product to perform its functions, in this case including overall durability, reliability, accuracy, ease of operation, and product repair, as well as other product attributes. According to Prihartini (2016), quality is a characteristic of a product in its ability to meet predetermined and latent needs. Quality in the view of consumers is something that has its own scope that is different from the quality in the view of producers when issuing a product which is commonly known as actual quality. Product quality is shaped by several indicators, including user convenience, durability, clarity of function, diversity, product size and others (Tjiptono, 2012). Quality is the totality of characteristics and characteristics of a product or service that affect its ability to satisfy stated or implied needs.

Price

According to Kotler (2012), price is one of the important attributes that are evaluated by consumers so that company managers need to really understand its role in influencing consumer attitudes. Price as an attribute can be interpreted that the price is a concept of diversity that has different meanings for each consumer, depending on the characteristics of consumers, situations and products. In other words, at a certain price level that has been issued, consumers can feel the benefits of the product they have purchased. And consumers will feel satisfied if the benefits they get are comparable or even higher than the nominal money they spend (Wijaya:2017).

Promotion

In managing a marketing communication system requires a design strategy and sales programs that are effective and efficient. Sales promotion is a key element in

a company's campaign and the best promotions are those carried out by satisfied customers. Thus, promotions need to be handled carefully because the problem is not only about how to communicate with customers but also how much the company will spend, which of course must be adjusted to the company's conditions and capabilities (Rifa'i and Hamidi, 2017).

Purchase Decision

Consumer behavior according to Sangadji and Sopiah (2013) is a dynamic interaction between influence and cognition, behavior and events around us where humans carry out exchange aspects in their lives. The Purchasing Decision Process according to Kotler and Keller (2016) suggests that there are five stages in the purchasing decision process, namely need recognition, information seeking, alternative evaluation, purchase decisions, and post-purchase behavior. Sangadi and Sopiah (2013) In purchasing decisions to buy consumer goods there are more than two parties involved in the exchange or purchase process. Purchase decision activities include; choice of product, brand, supplier, timing of purchase, purchase amount.

RESEARCH METHOD

This type of research is associative research. According to Sugiyono (2012), associative research is research that is causal (explains the relationship between two or more variables) and a causal relationship, there are independent and dependent variables used in this study are primary data sourced from questionnaires. The variables studied in this study are product quality, price and promotion of purchasing decisions. The population in this study are customers who use *e-commerce* shopee. The sample in this study was 140 people using Malhotra's Theory (2008) at least four or five times the number of questions. The total questions in this study were 28 questions.

RESULTS

Table 1. Results

T test					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.492	2.229		.221	.826
Product Quality	.260	.054	.285	4.856	.000
Price	.942	.088	.628	10.736	.000
Promotion	.235	.070	.429	4.491	.004
F test					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	576.135	3	192.045	85.609	.000 ^b
Residual	305.087	136	2.243		

Total	881.221	139			
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a. Dependent Variable: Purchase Decision

Based in Table 1 it is known that partially:

1. It is known that the regression coefficient value of Product Quality (X1) is 0.260 positive value, this means that the Product Quality variable has a positive effect on purchasing decisions. The probability value and regression coefficient of Product Quality is 0.260. Because the probability value and the product coefficient is small from 0.05 ($0.000 < 0.05$) then the product quality variable has a significant effect on purchasing decisions
2. It is known that the price regression coefficient value (X2) is 0,942 is positive, this means that the price variable has a positive effect on purchasing decisions. The probability value and the regression coefficient of Price are 0.045. Because the value of the probability and coefficient of the product is small from 0.05 ($0.000 < 0.05$), the price variable has a significant effect on purchasing decisions.
3. It is known that the regression coefficient of Promotion (X3) is 0.235 with a positive value, this means that the Promotion variable has a positive effect on purchasing decisions. Promotional probability and regression coefficient value is 0.004. Because the value of the probability and coefficient of Promotion is small from 0.05 ($0.004 < 0.05$), the Promotion variable has a significant effect on purchasing decisions.

Based on Table 1, it is known that the effect of the variables simultaneously is that the f value is $85.609 >$ from $f_{table} 2.766$ and with a Sig value which is smaller than the alpha value ($0.000 < 0.05$), based on hypothesis testing criteria if $f_{count} > f_{table}$ then H_0 rejected and H_1 accepted, meaning that independent variables consisting of Product Quality (X1), Price (X2) and Promotion (X3) simultaneously positive and significant impact on the purchase decision (Y).

Table 1. Determination Coefficient

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.809 ^a	.654	.646	1.49776

a. Predictors: (Constant), Promotion, Price, Product Quality

Based on Table 2 it can be seen that:

1. The R value of 0.809 is equal to 80.9%, meaning that the relationship between Product Quality, Price, Promotion variables on the purchasing decision variable is 80.9% means that they are closely related.
2. Adjusted R Square of 0.646 means that 64.6% of the variation factors - factors purchasing decisions can be explained by the variable quality of product, price, promotion. While the remaining 35.4% can be explained by other factors not included in this study.
3. Standard Error of the Estimate means measuring the variation of the predicted value. The Standard Error of the Estimate value is 1.49776.

DISCUSSION

a. The Effect of Product Quality on Purchase Decisions at Shopee

Based on the results of the analysis in Table 1, it is known that the product quality variable has a significance value of 0.000 which is smaller than the error level of

0.05 with a t-count value of 4.856, then the variable can be said to have a partial influence on the variable. buying decision. The results of the analysis in this study support research conducted by Wibowo *et al* (2013) which states that product quality has a positive effect on purchasing decisions, which means that if product quality is improved it will result in high purchasing decisions. However, this is not in accordance with research conducted by Melly *et al* (2013) which states that product quality has no effect on purchasing decisions.

b. The effect of Price on Purchase Decisions at Shopee

Based on the results of the analysis in Table 1, it is known that the price variable has a significance value of 0.000 which is smaller than the error level of 0.05 with a t value of 10,736, it can be said that the price variable has an influence on the purchasing decision variable. The results of the analysis above can be interpreted that consumers in making purchasing decisions will consider price perceptions consisting of price affordability, price suitability with benefits and quality received by consumers and price competition with competing marketplaces. The results of the analysis which states that price has an effect on purchasing decisions, are relevant to research conducted by Syahrial *et al* (2015), which states that price perception has a significant effect. So that in this study the prices offered by the Shopee marketplace can provide an overview for consumers to carry out the process in deciding purchases. This study also supports the assumption of Kotler and Keller (2016) which assumes that the simplest reason for buying online is to save money. In some product categories sold online, the prices are significantly lower than the manufacturer's list price or the outlets available in the shopping center. Therefore, price is one of the important factors in influencing purchasing decisions on the Shopee marketplace. Thus, it can be concluded that H2 in this study is accepted.

c. The Effect of Product Promotion on Purchase Decisions at Shopee

Based on the results of the analysis in Table 1, it is known that the promotion variable has a significance value of 0.004 which is smaller than the error level of 0.05 with a t-count value of 4.491, it can be said that the promotion variable has an effect on the purchasing decision variable. The results of the analysis above can be interpreted that if the promotions carried out are increasing or intensive, the consumer purchasing decisions on the Shopee marketplace will be higher.

Based on the results of research that has been done, consumers love to shop at the Shopee marketplace because of the many promotional activities carried out. Various promotional efforts have been made by the Shopee marketplace to increase the number of transactions. One example of the promotion carried out by the Shopee marketplace in October – November is the 10.10 and 11.11 programs. There are various promotions offered in the program such as Flash Sale, Goyang Rain Emas, Cashback, Free Shipping, Discounts, Shopping Vouchers, and so on. Of all the promotional programs carried out by Shopee, the ones that attract the most consumers are Free Shipping with no minimum shopping, Flash Sale Discounts and Vouchers. The promotion is most in demand because the benefits obtained can be enjoyed directly by consumers when shopping in a very easy way.

d. The Effect of Product Quality, Price and Promotion on Purchase Decisions at Shopee

Based on Table 1, it is known that the three independent variables, namely product quality, price and promotion, have a simultaneous effect. In research conducted by the author, product quality, price and promotion affect purchasing decisions because the Shopee marketplace has product quality, prices and promotions that are in accordance with consumer needs so that consumers are interested in making purchases

through the Shopee marketplace. If a marketplace has a good average product quality, consumers will be happy to shop online through that marketplace. This is because not all marketplaces or online stores have product quality that matches what they offer to consumers. So that when the quality of products in the Shopee marketplace is able to compete with similar marketplaces, consumers will be happier to make purchases on the Shopee marketplace. Coupled with product prices on the Shopee marketplace which are considered cheaper than competing marketplaces and promotions that are carried out continuously make consumers more interested in making purchases on the Shopee marketplace

CONCLUSION

1. Based on the results of the partial test statistical calculations, it can be concluded that the quality the product has a partial effect on purchasing decisions on the Shopee marketplace, this shows that the quality of the products offered by the seller is in accordance with consumer expectations.
2. Based on the results of the partial test statistical calculations, it can be concluded that the price has a partial effect on purchasing decisions on the Shopee marketplace, this is proven by consumers that the products sold by the Shopee marketplace have more affordable prices than competing marketplaces, and the prices offered are in accordance with with the quality and benefits obtained.
3. Based on the results of the partial test statistical calculations, it can be concluded that promotions have a partial effect on purchasing decisions on the Shopee marketplace, this is evidenced by the many promotions carried out by the Shopee marketplace that have succeeded in attracting the attention of consumers to shop.
4. Based on the results of simultaneous test statistical calculations, it can be concluded that product quality, price and promotion simultaneously influence purchasing decisions on the Shopee marketplace, this is evidenced by the stages of purchasing decisions made by consumers, the products offered by the Shopee marketplace are considered appropriate with the needs and desires of consumers

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DECLARATION OF CONFLICTING INTERESTS

The author declares that there is no conflict of interest.

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