
Article

The Influence of Product Quality and Price on Purchasing Decisions for The Originote Skincare Products (Case Study of The Originote Users, South Jakarta)

Nabila Adekayanti Alia¹, Evi Sofia¹

¹Faculty of Economics and Business, Pertamina University, South Jakarta, DKI Jakarta, 12220, Indonesia

email: adekayantinabila@gmail.com

*Correspondence email: evi.sofia@universitaspertamina.ac.id

Abstract: This research aimed to determine the influence of product quality and price on purchasing decisions for The Originote skincare products in the South Jakarta area. This research uses a sample of 100 samples, with the criteria of consumers who use The Originote products and decide to buy The Originote products. This research method uses hypothesis testing, namely Data Quality Test, Classical Assumption Test, Multiple Linear Regression Test, Hypothesis Test, and Coefficient of Determination Test using IBM SPSS statistics 25. The results of this research are: 1) Product Quality has a significant effect on Purchasing Decisions by $0.002 < 0.05$ which means that the Product Quality variable has a positive effect on Purchasing Decisions, 2) Price has a significant effect of $0.000 < 0.05$ which means that the Price variable has a positive effect on Purchasing Decisions, 3) Product Quality and Price simultaneously have a significant effect on the Purchasing Decision variable with a value of $0.000 < 0.05$, it means that the two variables Product Quality (X1) and Price (X2) have a positive and significant effect on Purchasing Decisions (Y) simultaneously.

Keywords: Product Quality, Price, Purchasing Decisions.

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1 Introduction

In the era of globalization, the industrial revolution 5.0, which is marked by digitalization-based activities, will lead to the development of information technology and the economy in the business sector. The need to maintain healthy skin and body health will only increase as time progresses. Based on data from [1], the population in Indonesia will reach 278,696.2 million people by mid-2023 and this is an opportunity for the share of beauty products in the Indonesian cosmetics industry to grow by 5.9% every

*Corresponding author

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year. The increasing development of technology has made the business world grow so rapidly, one of which is the world of beauty. The cosmetics industry in Indonesia offers promising business opportunities due to the large demand for beauty products among women, especially the millennial generation who want to have healthy skin.

The results of [2] opinion databox statistical data, in 2022 the estimated revenue for beauty and personal care products in Indonesia will grow by 8% every year until 2023 reaching \$7.23 billion. During the Covid-19 pandemic, transactions for beauty and health products when shopping online increased by 40%. The importance of maintaining healthyskin is proven by the number of purchases of beauty products which continues to increase from year to year. Competition in the global market is the main player who has to take a long journey and focus on competition in the domestic market, so the increase in growth will reach 3.83% in 2023.

Based on data, the beauty market share which continues to increase from 2018 to 2023 may reflect the intense competition in the beauty industry which has led to an increase in the number of business actors in the cosmetics industry. This could be a great opportunity and potential for the cosmetics industry, including in Indonesia. In the face of global competition, beauty brands must innovate and differentiate in product quality and price to maintain a larger market share.

The development of beauty products with better marketing management can meet consumer needs in terms of product quality and price. By developing products and services that meet consumer needs and desires, businesses can interact and promote beauty products via social media to attract consumer attention. Purchasing decisions are the process carried out by consumers who decide to buy a product or service which can be seen from the product quality and price to satisfy needs and desires [3].

Currently, local beauty products are increasing and competition between beauty product businesses is increasing. One of the local beauty products that produces products with good quality and affordable prices is "The Originote" product. The Originote is a local beauty or skincare brand that offers BPOM certified products at affordable prices.

The Originote is ranked number three among the best-selling products on social media. The Originote won the 2023 Brand Choice Award [4]. The Originote offers a variety of skin care products including facial cleanser, moisturizer, serum, and sunscreen. The Originote tagline is "Affordable Skin Care for All" from quality products at affordable prices and effective ingredients to treat various skin problems [5]. The Originote product has gone viral on social media and the product is sold out everywhere, but beauty product users will see it in terms of skin care ingredients at an affordable price.

There is a price difference when promoting The Originote skincare products, namely the price is cheaper than the usual price. This can happen because there is a mismatch in product content, or the product being promoted is a counterfeit product. Therefore, consumer honesty regarding products in consumer reviews on Shope, products should be questioned in various comments or product reviews. The product reviews submitted can be used as comparison material to find out whether potential consumers are increasingly interested, thereby increasing consumer confidence in making purchasing decisions and trying them, or vice versa. One of the competitive factors between The Originote products and other beauty products is that the choice of product quality and price can influence purchasing decisions.

According to [3], product quality is a product or service that has characteristics that can satisfy customer needs. Product quality refers to the extent to which a product can meet customer needs and meet industry standards. Some of The Originote's fake skincare products that are marketed in consumer reviews when buying genuine and fake products are very different in colour, of course this will have dangerous effects for consumers, such as irritation and allergies to the skin. Using skincare products can have a dependency effect and are not suitable for your skin type, such as the skin becoming red, hot and sore which can cause sensitive skin or irritation on the face. Product quality is one of the benchmarks for consumers when purchasing a product [6]. Creating a sense of trust and maintaining consumer interest in the product will result in much more competition, so determining an affordable product price will become the standard for a product.

Consumers will consider price before buying, so price has a big influence on company profits. According to [7], price is a factor that determines the success of a company by determining the profits the company obtains from selling its products. Consumer views regarding The Originote products which are viral at affordable prices can quickly influence consumers to buy at lower prices. Furthermore, many consumers buy fake The Originote skincare products through e-commerce. This can happen to imitation products that resemble original products, namely The Originote skincare products, which are easily sold and compete with original products such as moisturizers and serums. Consumers are harmed by dangerous side effects if they use fake skincare products. This happens a lot because sellers want to make instant profits without caring about the side effects for users of their products. Influencing potential consumers to try and buy a product can be convincing by looking at the main factors in purchasing decisions from specifications, descriptions explaining the product, and positive feedback from consumer reviews who use The Originote products [8]. Therefore, the author is interested in researching the influence of product quality and price on purchasing decisions for The Originote skincare products (Case Study of The Originote Users, South Jakarta).

2. Literature

2.1 Marketing Management

According [9], marketing management is defined as a science that studies target markets and objectives, develops and retains consumers, creates and fulfils customer needs, and provides superior value to customers. Business in marketing to create success for the company sells products that meet the targets and objectives set by the company to achieve these goals [10].

2.2 Product Quality

Product quality is the key to the products that will be offered to meet quality standards according to customer needs. According [11], the most important factors influencing product quality are perceived product quality and expected product quality. The Originote meets the needs and desires of consumers who expect good product quality and a light, gel-like product texture. Quality is one of the significant marketing strategies that consumers can consider before purchasing a product.

2.3 Price

According to [12], price is a nominal amount exchanged by consumers to obtain benefits when using the product. When purchasing a product, especially The Originote, price is an important factor in determining purchasing decisions. The Originote offers a wide selection of products at different prices so that consumers can make purchases according to the money they have.

2.4 Purchasing Decision

The purchasing decision is a more alternative process in the decision to buy or not buy [13]. The Originote product provides product reviews to convey consumer experiences after using the product, so that potential consumers will be interested in making confident purchasing decisions and want to try the product. Knowing about the existence of this skincare product can help determine whether the product is of good quality and affordable price, which can then influence purchasing decisions.

2.5 Hypothesis

Hypothesis as a temporary answer to the problem in the research problem formulation. Based on the problem formulation, the following hypothesis is formulated:

- a. H0: The quality of The Originote products has no influence on purchasing decisions.
H1: The quality of The Originote products has an influence on purchasing decisions.
- b. H0: The price of The Originote has no influence on purchasing decisions.
H2: The price of The Originote has an influence on purchasing decisions.
- c. H0: Product quality and price of The Originote do not have a simultaneous influence on purchasing decisions.
H3: Product quality and price of The Originote simultaneously influence purchasing decisions.

3. Methods

This form of research is quantitative research with multiple regression testing methods. Quantitative research methods are based on the philosophy of positivism and are used to explore or test objective theories about certain populations or samples [14]. This research these three variables to be measured, namely Product Quality (X1), Price (X2) and Purchasing Decisions. In this research, a quantitative approach was used by distributing questionnaires to collect information from respondents and using survey methods to obtain quantitative data.

Table 1 Operational Research Variables

No	Variable	Dimensions	Question
1.	Product Quality (Leonandri <i>et al.</i> , 2021)	Performance	The Originote products offer the best quality and innovation tailored to consumer needs

No	Variable	Dimensions	Question
2.		Features	The Originote product provides product variants according to the benefits offered
3.		Reliability	The Originote products sold are not damaged when purchasing the product
4.		Conformance to specifications	The Originote products have quality that meets specifications based on the skin type of consumer needs
5.		Durability	The Originote product can be used and is able to maintain the product for a long time
6.		Serviceability	The Originote product always listens to complaints if the goods received do not match consumer needs
7.		Aesthetic	The Originote product has attractive packaging
8.		Perceived quality	Products The Originote sells products that comply with guaranteeing the quality stated on the product label
9.		Price (Suwardi & Berliana, 2022)	Price affordability
10.	Price match with product quality		The price of The Originote products is in accordance with the quality provided
11.	Price competitiveness		The prices offered by The Originote products are competitive with the prices offered by competitors
12.	Matching price with benefits		The price of The Originote product is in accordance with the benefits of the product listed
13.		Price can influence consumers in making decisions	The price of The Originote products is sold according to the quality of the products on the market
14.	Purchasing Decision (Fadila <i>et al.</i> , 2020)	Stability of a product	I decided to buy The Originote product because the product quality is good
15.		Product purchasing habits	I buy The Originote products continuously
16.		Provide recommendations to others	I will recommend The Originote products to the local environment
17.		Make repeat purchases	I will make repeat purchases because it suits my skin type

This research is quantitative research methods. The population of this research is social media users who use The Originote skincare products and currently live in South Jakarta. The sampling technique uses non-probability sampling with a purposive sampling method. The sample used was consumers who had purchased skincare products from TheOriginote and used a sample, namely the Lemeshow formula with an unknown population size. The data was processed using SPSS Statistics 25 and the data collection method used a questionnaire with a measurement scale, namely the Likert scale. From the results, the number of respondents used in this research was 100 respondents using The Originote skincare who currently live in South Jakarta.

4. Results

4.1. Classic Assumption Test

4.1.1. Normality Test

Table 2 Normality Test Results

Tests of Normality

	Kolmogorov-Smirnov ^a		
	Statistic	df	Sig.
Unstandardized Residual	,084	100	,078

Source: Primary data processed in 2024

Researchers used the Kolmogorov-Smirnov Technique. Based on table 2, the results of SPSS data processing after processing the data, produced a Kolmogorov-Smirnov significance value of 0.084, it was concluded that the data was normally distributed because the significant value was > 0.05.

4.1.2. Multicollinearity Test

Table 3 Multicollinearity Test Results

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	-1,426	2,338		-0,610	,543		
Kualitas Produk	,200	,063	,269	3,159	,002	,879	1,137
Harga	,534	,096	,471	5,537	,000	,879	1,137

Source: Primary data processed in 2024

Variance Inflation Factors (VIF) value if the VIF value is < 10 then the multicollinearity test is valid, while the VIF value is > 10 then it is invalid. Based on table 3, all variables in the study were declared valid in the multicollinearity test. The researcher's independent variables do not influence each other or have no collinearity between the independent variables.

4.1.3. Heteroscedasticity Test

Table 4 **Heteroscedasticity Test**

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	3,504	1,390		2,520	,013
Kualitas Produk	,013	,038	,036	,339	,736
Harga	-,112	,57	-,208	-1,957	,053

Source: Primary data processed in 2024

Based on table 4 of the heteroscedasticity test results, it can be concluded that all results have a significance value of > 0.05, so in this study they are valid, which means there is no significant relationship between the independent variables and the residual values.

4.2. Multiple Regression Linear Analysis

Table 5 **Results of Multiple Linear Analysis**

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-1,426	2,338		-0,610	,543
Kualitas Produk	,200	,063	,269	3,159	,002
Harga	,534	,096	,471	5,537	,000

Source: Primary data processed in 2024

$$Y = -1,426 + 0,200 X_1 + 0,534 X_2$$

Based on the regression equation, this researcher aims to determine the influence of the independent variable on the dependent variable, namely the influence of product quality (X1) and price (X2) on purchasing decisions (Y) for The Originote skincare products. The following are the results of multiple linear analysis tests:

In table 5, the results of the multiple linear regression model above can be concluded and interpreted as follows:

- a. The constant value shows -1.426, which means the two independent variables, namely product quality and price, namely satisfaction is 0 (zero) or none, then the dependent variable, namely purchasing decisions, is -1.426, meaning there is no influence on purchasing decisions on users of The Originote products.
- b. The coefficient value of the product quality variable (X1) of 0.200 has a positive influence on purchasing decisions. This means that every time there is an

c. increase of one unit, the purchasing decision variable is 0.200, assuming the other variables are constant.

d. The price variable coefficient value (X2) of 0.534 has a positive influence on purchasing decisions. This means that every time there is an increase of one unit, the purchasing decision variable is 0.534, assuming the other variables are constant.

4.3. Hypothesis Testing

4.3.1. Partial Test (T Test)

Table 6 Partial Test Results (T Test)

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t-hitung	Sig.
	B	Std. Error	Beta		
1 (Constant)	-1,426	2,338		-0,610	,543
Kualitas Produk	,200	,063	,269	3,159	,002
Harga	,534	,096	,471	5,537	,000

Source: Primary data processed in 2024

The partial test (T Test) aims to determine whether product quality (X1) and price (X2) variables have a significant effect on purchasing decisions. In table 6 it is concluded that:

a. The product quality variable has a significant and positive effect on the purchasing decision variable. There is a significance value of 0.002 in the product quality variable (X1) which is smaller than 0.05, the t_{value} is 3.159 and the regression coefficient is 0.200, so the null hypothesis is rejected and hypothesis one is accepted. Both hypotheses have a positive and significant effect on purchasing decisions and can be accepted.

b. The price variable has a significant and positive effect on the purchasing decision variable. There is a significant value of 0.000 in the price variable (X2) which is smaller than 0.05, the t_{value} is 5.537 and the regression coefficient is 0.534, so the null hypothesis is rejected and hypothesis one is accepted. So both hypotheses have a positive and significant effect on purchasing decisions and can be accepted.

4.3.2. Simultaneous Test (F Test)

Table 7 Simultaneous Test (F Test)

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	244,038	2	122,019	30,025	,000 ^b
Residual	394,202	97	4,064		
Total	638,240	99			

Source: Primary data processed in 2024

In the simultaneous test (F Test) in table 7, the product quality and price variables have an f count of 30.025 with a significance value of $0.000 < 0.05$ hypothesis, so the null hypothesis is rejected and hypothesis one is accepted. Both positive influences on purchasing decisions can be accepted. With the acceptance criteria for the hypothesis, namely a significance value of less than 0.05, then H_0 is rejected, meaning that the two independent variables, namely product quality and price, simultaneously have a significant effect on the dependent variable, namely the purchasing decision for The Originote product.

4.3.3. Determination Coefficient Test (R^2)

Table 8 Determinant Coefficient Test Results R^2

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,618 ^a	,382	,370	2,01592

Source: Primary data processed in 2024

In the coefficient of determination test (R^2) in table 8, it is concluded that the product quality and price variables influence the purchasing decision variable by 37% and the remaining 63% of purchasing decisions are influenced by other factors outside this research.

5. Discussion

5.1 Effect of Product Quality on Purchasing Decisions

Based on the results of hypothesis testing, it states a positive and simultaneous influence on purchasing decisions for The Originote beauty products. The value in the t-test uses a positive number coefficient value and the significant value for the product quality variable is $0.002 < 0.05$. The t-count result for the product quality variable is 3.159 and the regression coefficient value is 0.200. The conclusion is that the product quality variable has a positive effect because customers see more levels of loyalty and product quality when making decisions to purchase The Originote products.

Based on the results of this researcher's findings, it is supported by previous research conducted by [8] regarding the influence of product quality on purchasing decisions, that researchers say product quality with significant value influences purchasing decisions positively.

5.2 Effect of Price on Purchasing Decisions

Based on the results of hypothesis testing, it states a positive and simultaneous influence on purchasing decisions for The Originote beauty products. The value in the t-test uses a positive number coefficient value and the significant value for the price variable is 5.537 and the regression coefficient value is 0.534. The conclusion is that the price variable has a positive effect because the price is more affordable, and the price offered matches the quality when consumers make a decision to purchase The Originote product.

Based on the results of this researcher's findings, it is supported by previous research conducted by [9] regarding the influence of price on purchasing decisions, that the researcher said that prices with significant values influence purchasing decisions positively.

5.3 Effect of Product Quality and Price on Purchasing Decisions

Based on the results of regression tests on product quality and price variables simultaneously have a significant influence on purchasing decision variables. In the simultaneous test (F Test) it produces an f count of 30.025 with a significant value of 0.000. The hypothesis that product quality and price have a positive and significant effect on purchasing decisions can be accepted. It was concluded that the product quality and price variables were the reference considerations for purchasing decisions. With The Originote products, consumers will look for information about the best quality products with reviews from people who use them to have more confidence and the prices offered by The Originote products.

6. Conclusion and Recommendations

The aim of this research is to determine the influence of product quality and price on purchasing decisions for The Originote skincare products, conducting research that includes various tests, data, results and discussions, then the conclusions obtained are:

1. Product quality partially has a positive and significant influence on purchasing decisions for The Originote skincare products.
2. Price in particular has a positive and significant influence on purchasing decisions for The Originote skincare products.
3. Product quality and price have a positive and significant effect on acceptable purchasing decisions.
4. From the results of the simultaneous test (F Test) it is 30.025 with a significant value of $0.000 < 0.05$ so the hypothesis can be accepted.

Recommendations for further research include expanding the population and the number of samples to influence the influence of consumers on purchasing decisions for The Originote products.

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