JONHARIONO Research, Publisher and Consulting Institute Published by: Jonhariono Research, Publication and Consulting Institute

ProBusiness: Management Journal

# Analysis of the Influence of Product Quality and Price on the Decision to Purchase Red Bricks in Latuhalat Village, Ambon City

#### Silfiena Siahainenia<sup>1</sup>, Ashwin Siahainenia

<sup>1,2</sup> Faculty of Economics and Business, Pattimura University, Maluku, Indonesia

#### ARTICLEINFO ABSTRACT

# Article history:

Received April 15, 2024 Revised April 22, 2024 Accepted May 15 2024

#### Keywords:

Product Quality, Price, Purchase Decision This study aims to examine the effect of quality and price on purchasing decisions for red bricks from Latuhalat village, Ambon city. The population in this study were the people of Ambon city with a sample size of 103 respondents with accidential technique. The data analysis technique is multiple regression with the t test. The results of the study are product quality and price affect the decision to purchase bricks from Latuhalat village, Ambon city.

This is an open access article under the CC BY-NClicense.



#### Corresponding Author:

Silfiena Siahainenia Management, University of Pattimura, Maluku, Indonesia JI. Ir. M. Putuhena, Poka, Kec. Tlk. Ambon, Kota Ambon, Maluku shelly28shellyy@gmail.com

#### 1. INTRODUCTION

During construction, of course you need building materials and one of them is red brick to build office buildings, schools, campus offices, houses and others. One type of red brick in the city of Ambon is produced in Latuhalat village. The people in this village are skilled at making red bricks because it is a legacy passed down from their ancestors. This talent was developed into a business field. The number of red brick manufacturing businesses in this village is 31 people and each business actor employs 5 to 6 workers. The raw material for red bricks in Latuhalat village is clay compared to pressed bricks, light bricks and bricks which use a mixture of cement and sand. The process for making red bricks takes 2-3 months because the process goes through several stages, namely pressing the clay, molding, drying and burning. The price of these red bricks is IDR 1,200/piece. For pressed bricks IDR 14,000/piece and bricks, one pressed brick is the same as 7-8 red bricks, this gives consumers another choice in buy bricks.

Year Amount	
2021	121,920,000 pieces
2022	322,450,000 pieces
2023	431,600,000 pieces

Source: primary data 2024

Based on the data above, it can be seen that sales of red bricks in Latuhalat village, Ambon city, continue to increase. This indicates that even though there are other types of bricks, people in Ambon city still buy red bricks from Latuhalat village. For this research, we examine the influence of quality and price. on the decision to purchase red bricks in Latuhalat village in Ambon city. How do quality and price influence the decision to purchase red bricks in Latuhalat village, Ambon city?

## 2. RESEARCH METHOD

### **Product quality**

Arinawati (2021), states that product quality is the totality of features and characteristics of a product or service that has the ability to satisfy stated or implicit needs. Moko (2021), states that product quality is an inherent characteristic or distinguishes the degree or level of excellence of a product. Gunawan (2022), states that product quality is the ability of a product to fulfill customer desires.According to Lupiyoadi (2015), product quality indicators are: 1) Performance, 2) Reliability, 3) Features, 4) Power, 5) Conformity. Based on the explanation above, the hypothesis raised is:

H1: Product quality has a positive effect on purchasing decisions for red bricks in Latuhalat Village in Ambon City.

#### Price

According to Kotler (2019), price is the amount of money charged for a particular product. According to Gitosudarmo (2019), price is the amount of money used to obtain certain products in the form of goods or services.Price Indicators, According to Tonce and Yoseph (2022), price indicators, namely: 1) Price suitability to product quality, 2) Price competitiveness, 3) Price suitability to benefits. Based on the explanation above, the hypothesis raised is:

H2: Price has a positive effect on the decision to purchase red bricks in Latuhalat Village in Ambon City.

#### Purchase Decision

According to Sanjaya (201), the benefits of purchasing decisions include gaining knowledge about product categories and relevant criteria, evaluating new products or brands and also comparing various existing options to help evaluate preferences. Purchasing decision indicators according to Indrasari (2019), indicators of consumer decisions are: 1) Brand choice, 2) Time of purchase, 3) Number of purchases.



#### 3. RESULTS AND DISCUSSIONS

The population in this study were buyers of red bricks in Latuhalat Village in Ambon City and the sample was consumers who purchased red bricks in Latuhalat Village in Ambon City. The sampling technique used accidental sampling. Determination of the sample used the formula proposed by Hair et al (1998), with a total sample of 113 respondents.

Table 2. Data Validity Test Results					
No	Indicator	Person Correlation	Information		
1	Product quality -Indicator 1 -Indicator 2 -Indicator 3 -Indicator 4 -Indicator 5	0.713 0.762 0.677 0.773 0.689	Valid Valid Valid Valid Valid		
2	Price -Indicator 1 -indicator 2 -Indicator 3	0.739 0.775 0.784	Valid Valid Valid		
3	Buying decision -Indicator 1 -Indicator 2 -Indicator 3	0.781 0.683 0.722	Valid Valid Valid		

\*Correlation is significant at the 0.05 level (2-tailed)

From the data above it can be explained that the product quality variable with 5 statement items is all valid, The questionnaire instrument is declared valid if it has a KMO MSA value  $\geq 0.5$  and a loading factor  $\geq 0.7$  (Hair et al. 2010) in (Ghozali, 2006).

#### Data Reliability Test

A construct or variable is said to be reliable if it provides a Cronbach Alpha value > 0.60 (Nunnaly, 1967 in Ghozali, 2006). The results of the reliability test show that all variables have a fairly large alpha coefficient, namely above 0.60

Table 5. Reliability Test Results Table				
Variable	Cronbach Alpha	Standard	Information	
Product Quality X1)	0.706	0.60	Reliable	
Price (X2)	0.691	0.60	Reliable	
Purchase decision (Y)	0.787	0.60	Reliable	

Table 3. Reliability Test Results Table

Source: SPSS data processing results, 2018

#### Normality test

Chart Histograms Dependent Variable: Purchase Kep



One way to see normality is to use a normal probability plot with a scatter plot. It can be seen that the data is spread around the diagonal line and follows the direction of the diagonal line or histogram graph. This shows that the data distribution is normal.



#### Chart Normal PP Plot Regression Standardized RResidual Dependent Variable: Purchase Kep

From the normal probability plot graph, it shows that the data is spread around the diagonal line and follows the direction of the diagonal line, so the regression model meets the normality assumption.

# Discussion

Table 4.	Multiple	Linear	Regression	Table
	manupic	Lincai	regression	rabic

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	2,722	1,122		2,426	,000
	Quality	.211	,278	,243	,758	,000
	Price	,243	,295	,390	,823	,000

a. Dependent Variable: Purchase Kep

- The test results show that the calculated t value for the product quality variable on purchasing decisions is 0.758, so the hypothesis which states that product quality influences purchasing decisions can be accepted. A product is said to be of quality if it meets the needs and desires of buyers. The quality of the Latuhalat Village Red Bricks has long been well known because the manufacturing process is still traditional so that the bricks are not easily broken and are able to adapt to both hot and cold weather. The results of this research are in line with research by Afwan, MT, & Budi Santoso, S. (2019).
- 2. The test results obtained that the calculated t value for the price variable on purchasing decisions was 0.823 with a significance of 0.000. By using a significance limit of 0.05, the hypothesis which states that price influences purchasing decisions can be accepted. The price of Latuhalat village bricks is indeed more expensive than other types of bricks but is still affordable for the people of Ambon city. The results of this research are in line with research by Primadasa, YG (2019).

#### 4. CONCLUSION

Product quality and price have an important role in the decision to purchase bricks from Latuhalat village because consumers will have a product with good quality even at a high price. The process of making this type of brick must be maintained by craftsmen from Latuhalat village, however, to increase the number of sales, these brick craftsmen must collaborate with other parties to continue to promote this type of red brick through shops selling building materials.

#### REFERENCES

- Afwan, M. T., & Budi santoso, S. (2019). Analisis Pengaruh Kualitas Produk, Persepsi Harga dan Kualitas Pelayanan terhadap Keputusan Pembelian dengan Citra merek Sebagai Variabel Intervening (Studi pada Konsumen Mebel Madina di Kota Banjarnegara). Diponegoro Journal of Management, 8(1), 1–13.
- Arinawaty, E., dan B. Suryadi. 2021. Penataan Produk (C3) Kompetensi Keahlian : Daring dan Pemasaran. Penerbit Grasindo : Jakarta. Hal 164.
- Gunawan, D. 2022. keputusan pembelian konsumen marketplace shopee berbasis sosial media marketing. Padangsidimpuan: PT. Inovasi Pratama Indonesia
- Ghozali, Imam. 2006. Aplikasi Analisis Multivariate dengan Program SPSS (Edisi Ke 4). Semarang:Badan Penerbit Universitas Diponegoro.
- Hair et al., (1998), Multivariate Data Analysis, Fifth Edition, Prentice Hall, Upper Saddle River: New Jersey.

Indrasari, M. (2019). Pemasaran dan Kepuasan Pelanggan. Surabaya: Unitomo Press

Kotler, Philip dan Gary Amstrong (2019). Prinsip-prinsip Pemasaran. Edisi13

- Lupiyoadi, R dan Hamdani, A. (2015). Manajemen Pemasaran Jasa: Teori Dan Praktik. Jakarta: Salemba Empat
- Moko, Wahdiyat, Ananto Basuki, and Yusuf Risanto. Manajemen Kinerja Teori Dan Praktik. Malang: UB Press, 2021
- Primadasa, Y. G. (2019). Pengaruh Harga, Kualitas Produk dan Promosi terhadap Keputusan Pembelian Produk pada Marketplace Shopee (Studi Pada Karyawan di PT.Percetakan Gramedia Cikarang). In Skripsi. Universitas Pelita Bangsa.
- Sanjaya, Surya, Pengaruh Promosi dan Merek terhadap Keputusan Pembelian Pada PT. Sinar Sosro Medan, Jurnal Ilmiah Manajemen dan Bisnis Vol. 16, No. 02, 2015.
- Tonce, Yosef & Rangga, Yoseph DP. (2022). Minat Dan Keputusan Pembelian: Tinjauan Melalui Persepsi Harga & Kualitas Produk (Konsep Dan Studi Kasus). Indramayu: Penerbit Adad.