Effect of Marketing Strategy and Service Quality on Product Purchasing Decisions

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Abstract

The purpose of this study was to determine the effect of marketing strategy and service quality on product purchasing decisions. This research was conducted on one of the skincare sales brands, Feryal Skincare. The number of samples taken was 103 feryal skincare users with the criteria of (a) Users in the city of Makassar, (b) focusing on users in 2022 and 2023, (c) using feryal skincare products more than 1 time. Data collection was carried out through questionnaires and interviews. The analysis technique used is multiple linear regression analysis. Based on the results of the analysis it is known that marketing strategy has a positive and significant effect on purchasing decisions, and service quality has a positive and significant effect on purchasing decisions

Keywords: Marketing Strategy; Service Quality; Purchasing Decision; Product

Introduction

The skin care industry in Indonesia is currently growing very rapidly. Indonesia is considered the second largest contributor to skin care growth in the world, according to data from Euromonitor International titled "The Future of Skin Care". While skin care development in emerging business sectors has yet to reach "double digits", it is capable of capturing an overall excellence market that is expected to reach US$ 130 billion by 2022. The average person worldwide spends US$ 15 per year on skin care, US$ 10 on hair care, and US$ 7 on cosmetics across all segments of the beauty market. By 2022, the skin care market will account for nearly 33% of the total beauty market revenue. (Dwivedi & Ahmad, 2022)

This growth in cosmetics is also supported by the development of skin care trends in society which are increasingly aware of skin health, and more and more people are sharing information about skin care and the products used (Prabandari, 2021). Where in the last five years the Food and Drug Supervisory Agency noted that there were 185,290 cosmetic products circulating in the community (Ayu, 2021).

The consumer decision-making process can be influenced by various factors, one of which is the marketing strategy, namely "strategies carried out by institutions with an interest in making

products work ..." (Winarno & Darsono, 2019). "The right marketing strategy is the cornerstone of the strategy towards company goals. This compound consists of a marketing mix that is aligned with customer needs and the company's ability to influence customer response to the goods and services offered. The marketing mix applied by the company is the result of internal and external strategic planning analysis. (Sari et al., 2021). The marketing mix consists of four elements: price, location, production, and also promotion. Each element of this marketing mix can influence consumer purchasing decisions. (Chen et al., 2023)

According to Kotler and Armstrong (2014), a consumer purchase decision is the stage in the process of selecting a purchase decision where the consumer is serious about buying. According to Tjiptono and Chandra (2012), purchasing decisions are a process in which consumers know the problem, find out about a particular product or brand and properly evaluate each alternative that can find a solution to the problem, which in turn leads to a purchase decision. According to Schiffman and Kanuk (2014), purchasing decisions are defined as a choice of two or more alternative plans (Badu et al., 2023).

While the purpose of this study is to find out marketing strategies on consumer purchasing decisions, to find out service quality on consumer purchasing decisions, and to find out marketing strategies and service quality on consumer purchasing decisions.

Literature Review

Marketing Strategy and Purchase Decisions

Work engagement is a psychological state characterized by full involvement, high energy, and positive feelings and enthusiasm in carrying out work. The discussion on work engagement in this study will cover the influencing factors, such as job resources and public service motivation, as well as their mediating role in the influence of these variables on affective commitment. This research will explore the relationship between work engagement and affective commitment to employees in Parakita Dental and General Clinic. The findings of this study are expected to provide a deeper understanding of the importance of work engagement in increasing employee commitment and the quality of public services provided in the public sector.

The corporate management function is guided by strategy, which is an important component of business strategy. Implementation of programs in achieving organizational goals can be carried out actively, consciously, and rationally related to the achievement of business products to achieve their goals in an increasingly turbulent business environment, for this reason a marketing strategy is needed. (González-Ramos et al., 2023)

The function of the marketing strategy is as follows. 1) as an authoritative reaction to answer and adapt to ecological relationships throughout the business cycle. 2) With the end goal to set itself apart from competitors by leveraging the company's qualities to more likely address client concerns in a given climate. 3) as a way to produce in managing changes in the business climate, provide a course that is tied together to all partners of the organization. Clear promotion procedures will provide guidance, join market division factors, target market identifiable evidence, positioning, display component mix, and promote mix costs, the idea of the system is vague, and the choices made will be emotional. 4) as an assistant in issuing hierarchical assets and businesses. (Lima Rua et al., 2023)

Gronroos and Kotler et al. (2001: 610), marketing strategy requires internal and interactive marketing in addition to external marketing. The routine work that companies do to prepare services, set prices, distribute services and promote them to customers is known as external marketing. Internal promotion describes the work an organization does to prepare and excite its representatives to perform well for clients. Giving awards and recognition that are commensurate and humane will undoubtedly increase motivation, morale, pride, loyalty, and a sense of belonging to everyone in the organization, which in turn will greatly benefit the business (Tjipto, 1997: 143).

H_2 : Marketing strategy has a positive and significant influence on skincare purchase decisions

Quality of Service and Purchasing Decisions

One of the elements that determine the success of a business is the quality of service. Service, according to Stanton (2001: 220) is an activity that can be defined separately which is essentially intangible, needs fulfillment, and is not bound by the sale of other products or services. Meanwhile, according to Kotler (2002: 83) service is any action or activity that can be offered by one party to another which is basically intangible and does not result in any ownership. Production can be linked or not linked to one physical product. Service is the behavior of producers in order to meet the needs and desires of consumers in order to achieve customer satisfaction. This behavior can occur during, before, or after the transaction.

Meanwhile, quality is defined by Tjipto (1997: 7) according to context, customer perceptions, and customer needs and desires. Quality depends on the will and needs of the customer. Quality is a subjective assessment of the customer. Quality cannot be defined if it is not associated with a certain context, certain attributes and characteristics of something. Thus the quality is very dependent on that something. Therefore, service quality can be identified by comparing consumers' perceptions of the service they actually receive with the service they expect from a company's service attributes. If the service received and perceived is as expected, then the quality of service is perceived as good, and if it exceeds expectations, it is very good, while if it is the other way around, the quality is perceived as bad.

It can be said that service quality is all the company's efforts to meet consumer expectations. Service in this case is a service delivered by the service owner, either in the form of convenience, speed, relationship, ability, or friendliness which is addressed through attitudes and characteristics in providing services for customer satisfaction.

H_2 : Service quality has a positive and significant effect on skincare purchasing decisions
H_3 : Marketing strategy and service quality influence the decision to buy skincare

Conceptual Models

Based on the background, problem formulation and literature review above, this research model can be described in Figure 1:
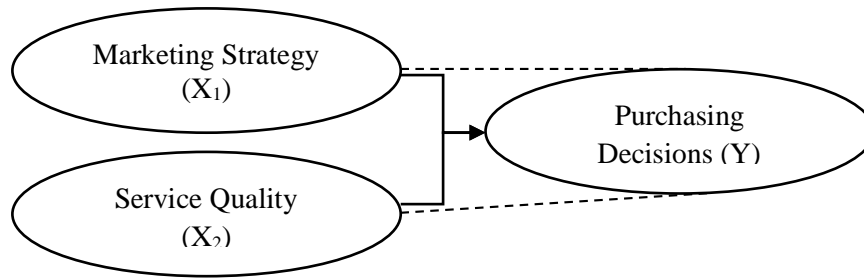
Figure 1: The Conceptual Model

Research Method

Location and Research Design

The approach in this study uses quantitative methods. This study explains the effect of business strategy and service quality on purchasing decisions. The research object used is all feral skincare users in the city of Makassar in 2022-2023.

Population or Sample

The population of this research is all users of Feryal Skincare. The sampling technique used is*non probability sampling* with the use of Incidental Sampling (*Reliance Available Sampling*) This sampling technique relies on the existence of a subject to be used as a sample, namely anyone who happens to meet the researcher and is deemed suitable as a data source, the subject is used as a sample. The sample in this study were 103 feryal skincare users with the following criteria: (a) Users in the city of Makassar, (b) focusing on users in 2022 and 2023, (c) using feryal skincare products more than once.

Method of collecting data

There are various methods of data collection that can be done in a study. Data collection methods used in this study are:
1. Observation
   Observation is a complex data collection method because it involves various factors in its implementation.
2. Questionnaire (questionnaire)
   Questionnaire is a data collection method that is carried out by giving a set of questions or written statements to respondents to answer. Questionnaires are a more efficient method of collecting data when the researcher knows for sure the variables to be measured and knows what is expected of the respondents.

Data Analysis Methods

To determine the magnitude of the influence of the independent variable on the dependent variable, a multiple linear regression equation is used with the following equation:

$Y = a + b_1 X_1 + b_2 X_2 +$ and …………………………………………… (1)

Where:

Y : Purchase Decision
a : Konstanta
X_1 : Marketing strategy
X_2 : Service quality
b_1- b_2 : Regression Coefficient
e   : Error

Hypothesis testing was carried out using multiple regression models in the SPSS program. From this model, the t value will be obtained as the estimation parameter, the coefficient of determination (R), and also the regression coefficient for each independent variable. Regression coefficient value (b_1 until b_2) positive and significant for variable X_1 and X_2 then hypothesis 1 and hypothesis 2 are supported.

Result

Description of Statistics

Table-1: Characteristics of Respondents

Characteristics	Criteria	Frequency
Gender	Man	15
	Women	88
	Total	**103**
Usage Since	2022	73
	2023	30
	Total	**103**
th purchase	2 times	45
	3 times	32
	4 times	26
	Total	**103**

The gender of the respondents in this study was dominated by the education level of women (88 respondents). While respondents who have men (15 respondents). Respondents who used feryal products since 2022 were 73 respondents and those who used feryal products since 2023 were 30 respondents. Meanwhile, based on the use and repeated purchases of 2 times by 45 respondents, the 3rd purchase by 32 respondents and the 4th purchase by 26 respondents.
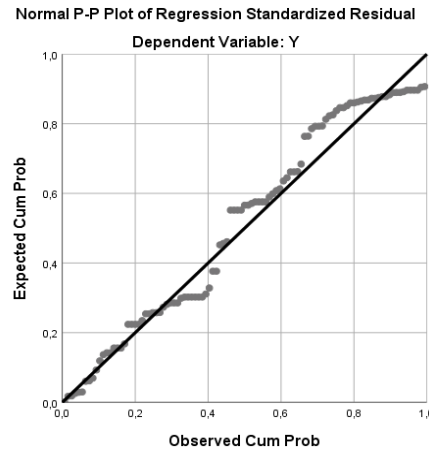
Evaluation Prerequisites

Figure 2: Normality test p-p plot

Figure 2, Graph of Normality P-P Plot, it can be seen that the data is spread around the diagonal line, the distribution is mostly close to the diagonal line. This means that the data is normally distributed.

Testing the hypothesis in this study used multiple linear regression with the help of the SPSS 23 tool. The multiple linear regression analysis consisted of validity and reliability tests as well as hypothesis testing. The results of the validity and reliability are presented in table 2 and table 3.

Table 2: Validity Test

Variable	Question Items	r-count	r-table	Conclusion
Marketing strategy	$X_1.1$	0.453	0.121	Valid
	$X_1.2$	0.566	0.121	Valid
	$X_1.3$	0.877	0.121	Valid
	$X_1.4$	0.345	0.121	Valid
Service quality	$X_2.1$	0.213	0.121	Valid
	$X_2.2$	0.223	0.121	Valid
	$X_2.3$	0.897	0.121	Valid
	$X_2.4$	0.513	0.121	Valid
Purchase Decision	$AND_1.1$	0.877	0.121	Valid
	$AND_1.2$	0.881	0.121	Valid
	$AND_1.3$	0.721	0.121	Valid
	$AND_1.4$	0.677	0.121	Valid

Source: Data Processed 2023.

Based on the validity test table for all variables, it shows that the value of r is calculated *pearson correlation* on all question items have a value greater than r table *product moment* of 0.121. It can be concluded that all indicators used in each variable are declared valid.

Table 3: Reliability Testing

Variable	*Cronbach's Alpha*	*Cut of Value*	Conclusion
Marketing strategy	0.766	0.600	Reliable
Service quality	0.891	0.600	Reliable
Purchase Decision	0.721	0.600	Reliable

Source: Data Processed 2023.

From the reliability test table above, it can be seen that all the variables used in this study show the results of the reliability test with a value *cronbach's alpha* bigger than standard *cronbach's alpha* i.e. 0.60. Based on these results, it can be concluded that all variables are declared reliable so that the data can be tested at the next analysis stage

Results of Multiple Regression Analysis

Table 4: Partial Test

Coefficients[a]

Model		B	Std. Error	Beta	t	Say.
		Unstandardized Coefficients		Standardized Coefficients		
1	(Constant)	4,993	1,981		3,570	,000
	X1	,055	,102	,058	1,541	,000
	x2	,319	,104	,084	1,778	,002

a. Dependent Variable: Y

The following is the regression equation formed based on the results of the analysis that has been carried out.

$Y = 4.993 + 0.055X_1 + 0.319 X_2$

Based on the regression equation, marketing strategy and service quality variables have a positive regression coefficient. This means that any increase in each of these variables will also result in an increase in purchasing decisions.

Then based on the t test table, the marketing strategy variable has a t table value of 0.055 and a significance level of 0.000 <0.05 and the service quality variable has a t table value of 0.319 and a significance level of 0.002 <0.05, so it can be concluded that these two variables partially have a significant influence on purchasing decisions.

Table 4: Simultaneous Test
The F statistic test basically shows whether all the independent variables included in the model have a simultaneous effect on the dependent variable.

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Say.
1	Regression	7,206	2	3,603	,713	,003[b]
	Residual	505,571	100	5,056		
	Total	512,777	102			

a. Dependent Variable: Y
b. Predictors: (Constant), X2, x1

The table above shows the F table at the level of marketing strategy, service quality on purchasing decisions, a significance of 0.03. The test results obtained an F value of 0.713 with a significance of 0.003 <0.05, meaning that Ha is accepted and Ho is rejected, namely marketing strategy, service quality and simultaneously have a positive and significant effect on purchasing decisions.

Discussion

From the calculation of multiple regression analysis, the coefficient value is obtained b_1 namely 0.055 which has a positive value, it can be concluded that the Marketing Strategy variable (X_1) has a positive influence on Consumer Purchase Decisions (Y), so if the Marketing Strategy is improved it can increase Consumer Purchase Decisions and vice versa. Therefore, the results of this study relate to the research studied by Harahap (2018) concerning the Influence of Marketing Strategy on Motor Vehicle Insurance Purchase Decisions at PT Asuransi Sinarmas Garut Branch which states that marketing strategy has a strong and significant positive effect on consumer purchasing decisions.

From the calculation of multiple regression analysis, the results of the coefficient b_2 namely 0.319 which has a positive value so that it can be concluded that the variable Service Quality (X_2) has a positive influence on Consumer Purchase Decisions (Y), then Service Quality is increased so it will increase Consumer Purchase Decisions and vice versa. The results of this research are related to what was researched by Amhar (2012) regarding the influence of financial advisor competence on bank service quality on purchasing decisions for banca assurance products at PT AXA Mandiri Financial Service which states that service quality has a significant positive and quality impact on consumer purchasing decisions.

Based on the results of multiple regression analysis, the coefficient value is obtained b_1 namely 0.055 and b_2 0.319 which is positive so it can be concluded that the Marketing Strategy variable (X_1) with Service Quality (X_2) has a positive impact on Consumer Purchase Decisions (Y), so if the Marketing Strategy with Service Quality is improved it will increase Consumer Purchase Decisions and vice versa. The results of this study are in accordance with what was researched by Kuswaraningtyas (2017) concerning the Influence of Product, Price, Promotion, Place and Service Quality on Consumer Purchase Decisions at PT Jalan Nugraha Ekakurir which states that marketing strategy has a strong and significant positive impact on consumer purchasing decisions.

Conclusion

This study shows that the results of the marketing strategy have a positive influence on the decision to repurchase skincare feryal. Service Quality also has a positive influence on the decision to repurchase skincare feryal. As well as marketing strategy and service quality have a simultaneous influence on the decision to repurchase feryal skincare products.

From all the results of the analysis, the authors suggest as input for companies in relation to Marketing Strategy (X_1) and Service Quality (X_2) on Consumer Purchase Decision (Y). Saransaran tersebut yaitu : (1) (1) The company in this case must increase the socialization of services including by posting advertisements through social media, websites, and mainstream media and providing discounts so that consumers can understand what services are being done and can also attract consumers to continue using feryal skincare products, (2) The company in this case must improve the quality of service and provide socialization to employees to continue to remain friendly and always pay attention to consumers who come so that they are comfortable and not disappointed with the services provided, and if there are still employees who are still less friendly and attentive to consumers, the company must dare to reprimand and sanction its employees.

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