

INFLUENCE OF PRICE AND PRODUCT AVAILABILITY ON CONSUMER PURCHASE INTENTION TO BUY *SEMEN TIGA RODA*

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ABSTRACT

This study aims to determine whether the variable Price, Product Availability simultaneously and parcelly influence the Purchase Intention of Semen Tiga Roda Consumers. This research uses explanatory research method with quantitative approach. The population in this study is the Semen Tiga Roda consumers with a total sample of 100 respondents. Analysis of the data used in this study is the instrument test method, the classic assumption test, multiple linear regression analysis and hypothesis test. This test was carried out using SPSS 21 Statistical Software.

The results showed that the variable Price partially had a positive and significant effect on Purchase Intention, indicated by the t value of 8.792 t_{Table} of > 1.980 with a Sig. $t = 0,000$. Then the variable Product Availability partially had a positive and significant effect on Purchase Intention, with a t value of $4.312 > t_{Table} (1.980)$ with a Sig. $t = 0,000$. Then for the value of R. Square (R^2) obtained a value of 0.544 shows that the regression model used is able to explain the effect of variable Price and Product Availability on Purchase Intention of 54.4%, while the remaining 45.6% is explained by other variables which is not included in this study.

Keyword: Price, Product Availability and Purchase Intention

PRELIMINARY

The competitive climate of the domestic cement market share in Indonesia has now entered a new era, it can be seen from the increasing number of cement producers which have increasingly enlivened the competition for the domestic cement market in Indonesia. The development in this country indicates the increasing demand for cement in the country. According to Fitriani / HK (2018) cement sales in 2018 reached 75.2 million tons, up 8.6% compared to the previous year. At present it is noted that there are 18 cement producers in Indonesia, with a large number of producers, customers benefiting from taking advantage of the competition. when consumers will buy cement in the store, they will be faced with several choices of cement brands, such as Semen Tiga Roda, Semen Gresik, Semen Padang, Semen Holcim and Semen Merah Putih.

The demand for cement consumption which continues to increase from year to year requires producers to be more careful in analyzing the factors that can influence consumer buying interest, consumer's perception of the products offered so consumers are interested in making purchases. There are several factors that can influence consumer purchasing decisions at a retail or store that are analyzed from the location, price and product availability, (Raharjani in Mulyani, 2009). Then the results of a study conducted by Vici, Vidi Yuan (2018) stated that product prices and variations have a positive and significant influence on Purchase Intention.

Based on the background of the above phenomenon, the formulation of the problem of this research are:

1. Knowing the effect of prices on consumer intention in choosing Semen Tiga Roda in stores
2. Knowing the effect of product availability on consumer intention in choosing Semen Tiga Roda in stores

THEORETICAL BASIS

Price

Kotler and Armstrong (2008: 345) state that price is the amount invoiced for a product and service. According to Kasmir (2009: 175) the price is a value in a currency, which must be paid by consumers to buy or enjoy the goods or services offered.

Product Availability

Aaker (1997) states that availability is a factor of interest based on logic or considerations of how products are easily obtained. According to Utama (2012) Product availability is the company's ability to maintain product availability when there is an increase in demand for products.

Purchase Intention

Purchase Intention is the tendency of consumers to buy a brand or take actions related to purchases as measured by the level of likelihood of consumers making a purchase, Ferdinand (2002). Gunarso (in Wijaya, 2015: 34), means that interest is something that is personal and related to attitude, individuals who are interested in an object will have the strength or drive to perform a series of behaviors to approach or obtain the object.

THEORETICAL FRAMEWORK

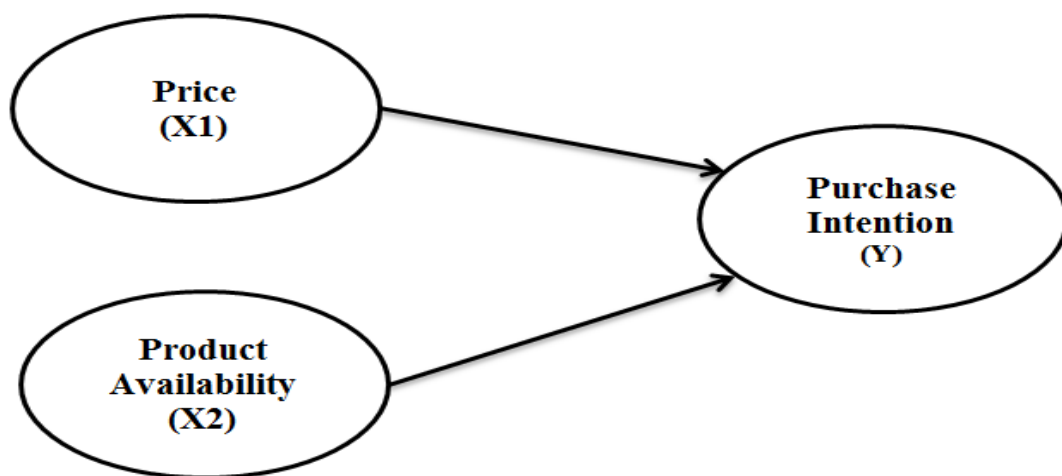


Figure 1 Theoretical Framework

Hypothesis:

H1: Price (X1) has a positive effect on Purchase Intention (Y).

H2: Product Availability (X2) has a positive effect on Purchase Intention (Y).

RESEARCH METHODOLOGY**Types of Research**

The type of research that will be used is explanatory research. Explanatory research is used with the aim of analyzing the relationship between variables through hypothesis testing (Cooper and Schindler, 2011). Moreover, this study uses quantitative methods, namely methods that use a number of samples and numerical data (Sugiyono, 2014: 7).

Population and Sample

The population in this study were all consumers of Semen Tiga Roda domiciled in East Java, while the samples taken were 100 respondents using a non probability sampling method with a purposive sampling technique, namely the sampling technique with certain considerations (Sugiyono, 2014: 85). The criteria used in this study are:

1. People who have directly bought Tiga Semen Roda
2. People who have bought a Semen Tiga Roda at least 2x
3. Domicile in East Java during the study period

Method of Collecting Data.

Data collection in this study was conducted using an online questionnaire conducted by researchers based on a list of questions that have been prepared relating to the three variables namely price, product availability and purchase intention. The measurement scale of this research variable using the Likert scale according to Oei's theory (2010: 87), is 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree.

Definition of Variable Operations

Table 1
Definition of Variable Operations

Variable	Definition	Indicator	Item	Source
Price (X1)	The amount (monetary unit) and / or other aspects (non monetary) that contain certain utility or use to get a product.	1. Affordable prices 2. Competitive price 3. Price match with quality	a. The price of Tiga Roda Cement is able to compete b. The price of Tiga Roda Cement is cheaper c. The price of Tiga Roda Cement products is in accordance with the quality d. The price of Tiga Roda Cement is in accordance with the benefits e. Do you choose cement based on price? f. Price influences your decision to choose a cement brand	Kotler and Keller (2012)
Product Availability (X2)	The company's ability to maintain product availability when there is an increase in demand for products	a. Ease of buying products b. Variations of product brand c. Product availability d. Product distribution is evenly distributed in various outlets / stores	a. Cement Tiga Roda has more complete product variants b. Tiga Roda Cement can be found in every store c. Three Wheel Cement is very easy to get d. Three Wheel Cement is always available and available in every store	Utama (2012)
	The tendency of consumers to buy a brand or take action related to a	1. Transactional interest 2. Reference interest 3. Preferential	a. After seeing the Tiga Roda Cement ad, I wanted to find information about	

Purchase Intention (Y)	purchase that is measured by the likelihood of consumers making a purchase.	4. Explorative interest	the Cement product b. I am willing to recommend Semen Tiga Roda to relatives c. I am willing to buy Tiga Roda Cement d. The Tiga Roda Cement product is my first choice.	Ferdinand (2002)
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Source: Processed Data

Data analysis technique

The data analysis technique used is multiple linear regression analysis. Multiple linear regression is used if the independent variable consists of two or more (Sugiyono, 2014: 277). The multiple regression formulation is:

$$Y = a + b_1X_1 + b_2X_2 + e$$

Where :

a = Constant Number

Y = Dependent Variable

B₁, b₂ = Coefficient Of Regression Direction

X₁, X₂, = Independent Variable

e = Error

1. T test is used to determine the effect of each independent variable on the dependent variable. If the significance value of $t < \alpha$ 0.05 then there is the influence of the independent variable partially bound.

DATA ANALYSIS

Multiple Linear Regression Analysis

This multiple linear regression analysis aims to examine how the influence of each independent variable Price (X1), Product Availability (X2) on the dependent variable Buy Intention (Y) in this study.

Table 2 Results of Multiple Linear Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3,632	1,137		3,193	,002
	Price	,472	,054	,614	8,792	,000
	Product Availability	,288	,067	,301	4,312	,000

Source: Primary Data Processed

Based on the results of the above calculations, obtained a significant multiple linear regression equation as follows:

$$Y = 3.632 + 0.472 X1 + 0.288 X2$$

Hypothesis test

1. T test

T test aims to determine whether the independent variable partially influences the dependent variable.

Table 4 T Test

Variable	T _{table}	T _{value}	Sig. t
Price variable significantly influences purchase intention	1,980	8,792	0,000
Product availability variable significantly influences purchase intention	1,980	4,312	0,000

Source: Data processed in 2020

Hypothesis Formulation for t test (Partial Test):

H0: $\beta_i = 0$, meaning that the independent variable partially does not have a significant influence on the dependent variable.

H1: $\beta_i \neq 0$, it means that the independent variable partially has a significant influence on the dependent variable.

Decision-making

- a) If the significance value > than 0.05, then H0 is accepted and H1 is rejected
- b) If the significance value < than 0.05, then H0 is rejected and H1 is accepted

1) Effect of Price (X1) on Purchase Intention (Y)

Based on table 4 the significance value of the independent variable Price on the t test is 0.001 or <0.05. This shows that H 0 is rejected and H 1 is accepted. So the price independent variable has a partially significant effect on Consumer Purchase Intention in Semen Tiga Roda .

2) Effect of Product Availability (X2) on Purchase Intention (Y)

Based on Table 4 the significance value of the independent variable Product Availability on the t test is 0,000 or <0.05. This shows that H0 is rejected and H1 is accepted. So the independent variable Product Availability has a partially significant effect on Consumer Purchase Intention in Semen Tiga Roda.

Discussion

1. Effect of Price on Purchase Intention

The results of this study prove that prices have a positive or significant influence on purchase intention, where high buying interest can be formed by the prices offered by service providers or products. Based on the results of the study, the first hypothesis in this study "Price has a significant effect on consumer purchase intention in the Semen Tiga Roda", can be declared acceptable and proven true.

The results in this study contradict the findings of research conducted by Mirabi et al (2015) who conducted research on consumers of Bono brand tile products found that price had no significant effect on purchase intention. However, the results of this study are consistent with the research of Hussin, et al (2013) where the product factor, namely price, is significantly correlated with purchase intention. And also consistent with the research of Martono and Iriani (2014) who succeeded in proving that the price had a significant effect on buying interest in Sendang Duwur Lamongan batik products.

The positive and significant effect of Prices on Consumer Purchase Intention shows that any increase in the price variable will result in an increase in consumer decisions to make consumer purchases on Semen Tiga Roda. Thus, if Semen Tiga Roda wants to increase consumer buying interest, it is necessary to pay attention to the factor of price increase by improving what is still lacking and increasing what is already good.

2. Effect of Product Availability on Purchase Intention

The analysis shows that there is a significant influence between Product Availability on Purchase Intention, a significant influence can be interpreted that with the better availability of the product, the Purchase Intention will increase. The results of the analysis shows that the availability of products indicated by the presence of Semen Tiga Roda has a more complete product variant compared to other brands of cement, can be found in every building shop, Semen Tiga Roda is very easy to get, starting from an agent or retail store and always available and available at each store where the purchase intention will increase.

CONCLUSION AND SUGGESTION

Conclusions

Based on the results of the research described in the previous chapter, several conclusions can be drawn to answer the problem formulation. Some of these conclusions are as follows:

- 1) Prices have a positive and significant effect on Purchase Intention, meaning that with more precise pricing in prices, Purchase Intention will increase.

- 2) Product availability has a positive and significant effect on purchase intention, meaning that with better product availability the Purchase Intention will increase.

Suggestion

Based on the results of research and conclusions obtained, the authors will provide advice to related parties. The suggestions put forward are as follows:

1. For companies

- a. It is expected that the company will continue to improve the quality of the products offered to consumers, namely by maintaining the quality of the products offered to consumers.
- b. Companies must still pay attention in determining the selling price of the product so that it can support the consumer's purchase intention of the product

2. For Other Parties

For further researchers who are interested in continuing this research are expected to use other variables that affect the purchase intention and use different analytical tools in the hope that this research can be more developed.

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