

The Influence of Product Quality, Price and Digital Marketing on Purchasing Decisions for Android Smartphones in The City of Denpasar

Ni Kadek Lisa Pebrianti¹, A.A Ngurah Bagus Aristayudha², Kadek Riyan Putra Richadinata³
^{1,2,3} Universitas Bali Internasional and lisapebrianti28@gmail.com

ABSTRACT

A smartphone or smartphome being present in the environment. Due to the fact that it facilitates communication and provides instant access to information, this gadget has gained a dominant position in the worldwide electronics market. The purpose of this study is to investigate the following factors: the impact of product quality on decisions to purchase Android smartphones; the influence of price on decisions to purchase; and the impact of quality, price, and digital marketing on decisions to purchase Samsung smartphones. Quantitative surveying is the method that this research use. In Denpasar City, the population that was researched consisted of consumers that either use or purchase Android cellphones. The total sample size of 97 individuals was gathered through the employment of a purposive sampling approach, and the method of data collection was accomplished through the utilization of a questionnaire that had been validated and determined to be trustworthy. For the purpose of data analysis, multiple regression was utilized. The findings of the study indicate that the following factors have a significant impact on purchasing decisions: (1) the quality of the product has a significant impact on purchasing decisions; (2) the price has a significant impact on purchasing decisions; and (3) digital marketing and product quality have a powerful impact on purchasing decisions. The findings of the descriptive test on purchasing decisions obtained a total score of 415.6, with the second largest indicator (419) earning an average score of 4.28 and the smallest indication (412) obtaining the lowest score. The results of the descriptive test on product quality have a total score of 401, with an average score of 4.13 on the third largest indicator (414), which is the smallest 394. Total score for the price descriptive test was 401.6, with an average score of 4.14 on indications 2 and 3, with the maximum score being 403 and the smallest score being 399. There was a total score of 398.6 on the descriptive test for digital marketing, with an average score of 4.10 on indication 3, with the greatest being 413 and the smallest being 386.

Keywords: Product Quality, Price, Digital Marketing

1. INTRODUCTION

Technological developments in the Digital Era are currently experiencing very rapid development, as pointed out by many people sophisticated communication tools. The communication tool that continues to develop today is the smartphone or often called a smart phone which able to dominate the global market for sales of electronic equipment.

The presence of smartphones or smart phones makes it easy for humans to communicate and get information quickly during interactions. One of the needs of modern society is a smartphone to fulfill their needs. As electronics companies realized this need, many smartphone brands emerged. Indonesia is a large market with a population of 250 million people. In addition, the number of people using smartphones in Indonesia is fast growing. Emarketer, a research institute that specializes in digital marketing, predicts that the number of people in Indonesia who use smartphones will surpass 100 million in the year 2018. When this number is reached, Indonesia will move up to the fourth position on the list of countries in the world, following India, China, and the United States.

The problem scenario that has been presented serves as the basis for this research, which focuses on Android smartphone users in the city of Denpasar. The objective of this study is to ascertain the opinions of respondents regarding factors such as product quality, pricing, and digital marketing that have the potential to impact their choice to purchase an Android-based cellphone in the region. This investigation has been titled "The Influence of Product Quality, Price and Digital Marketing on Purchasing Decisions on Android-Based Cell Phones". Making a purchase choice refers to the act of purchasing anything, such as purchasing a specific product or service and subsequently utilizing it. The problem solving process is known as customer decision making. Buyers can make a decision to purchase a product if it meets their needs and wants. According to [1], a purchasing decision is a choice between two or more purchasing options; for example, a person should have several options when making a decision. The way decisions are made can be influenced by purchasing decisions. Before they decide to buy a product, customers consider many things.

The quality of the product is yet another aspect that can play a role in determining whether or not an Android smartphone is purchased. The term "product quality" refers to a collection of product qualities that are the outcome of marketing, production, and maintenance processes. These characteristics combine to make the product exceptional and capable of meeting the expectations of consumers. Before making a purchase decision, many customers believe that it is critical to have a very good understanding of the quality of the product they are considering [2]. The term "product quality" refers to the capacity of a product to perform specific functions, including but not limited to durability, reliability, accuracy, ease of operation, and availability for repair. Quality standardization is necessary to meet the desired product quality characteristics. Another factor that can influence the decision to purchase an Android smartphone is price, which is the most important factor for companies to remain competitive in the market. will result in price competition for various available products so that consumers who are sensitive to price changes tend to switch to other brands. easier.

According to [3] Price is the amount of value that buyers give to the product being sold. so that the company selling the product can make a profit in a product and service. Price is something that is given. in exchange for a good or service. Another factor that can influence the decision to purchase an Android smartphone is Digital Marketing. Digital marketing allows businesses to control and meet the needs of potential consumers. Digital marketing consumers also find it easier to find information about the products they need [4]. Digital marketing uses the internet and information technology to sell goods or services. The need to use internet media as a marketing tool to improve and expand conventional marketing functions is, according to this definition, all traditional marketing.

2. LITERATUR REVIEW

2.1 *Product quality influences purchasing choices.*

The quality of a product is a crucial determinant in consumer buying choices, as it indicates the worth and efficiency of the product. Superior products frequently exceed client expectations, resulting in heightened satisfaction, recurring sales, and positive word-of-mouth endorsements. [5] assert that the way customers perceive quality has a direct impact on their purchasing decisions and their likelihood to remain loyal to a brand. These factors are essential as they result in increased customer loyalty and perhaps larger market share for businesses that regularly provide high-quality products

or services. Moreover, the many aspects of product quality, such as longevity, dependability, and effectiveness, have a substantial influence on consumer loyalty and their choices when making purchases. [6] emphasises that these quality dimensions are not only measurements, but rather essential elements that contribute to the total brand reputation. Within fiercely competitive markets, a robust reputation for excellence can function as a crucial factor that sets a brand apart from its rivals. Businesses must differentiate themselves in order to maintain and improve their market position in the face of fierce competition and changing consumer preferences.

1. *Price Influences Purchasing Decisions.*

The price of a product or service is a crucial factor in shaping consumer buying choices, as it represents the amount that consumers are willing to spend for a perceived worth. The pricing strategy implemented by a firm has a substantial effect on its market share and profitability. [7] argues that effective pricing goes beyond simply setting a price that covers costs and generates profit. It also requires a deep awareness of customer price sensitivity and the ability to respond accordingly. The level of sensitivity can significantly range among various demographic groups, which is determined by factors such as disposable income, brand loyalty, and perceived product value. Psychological pricing strategies aim to attract a larger number of consumers by placing prices at specific places that are believed to elicit a more positive psychological reaction. Moreover, the notion of price elasticity, as elucidated by [8], demonstrates that price changes do not have an equal impact on all products. High-end products, such as luxury goods, demonstrate a reduced level of responsiveness to price changes compared to basic commodities. This implies that increases in price have a minimal impact on the quantity of luxury goods sold. This variation requires the use of various pricing strategies, such as penetration pricing to establish a foothold in the market or price skimming to maximise earnings from market groups that are less responsive to changes in price. Comprehending these factors is essential for organisations to develop pricing strategies that not only draw in customers but also maximise revenue and market placement.

2. *Purchasing Decisions Are Influenced by Digital Marketing.*

The advent of digital marketing has fundamentally revolutionised the methods by which organisations connect with and captivate consumers, rendering it an indispensable element of contemporary marketing strategy. [9] demonstrate that digital marketing relies on platforms such as social media, email marketing, search engine optimisation (SEO), and online advertising. These platforms enable businesses to access large networks of potential clients. These solutions empower marketers to provide extremely customised and focused content that deeply connects with the particular requirements and preferences of their audience. Digital marketing's capacity to customise messages and offers enables it to exert a more potent influence on customer purchasing decisions compared to traditional mass media. Furthermore, the interactive characteristics of digital marketing platforms provide immediate and ongoing communication and interaction with consumers. This immediacy not only enhances comprehension of customer behaviours and preferences but also empowers

corporations to swiftly adapt their marketing tactics using immediate feedback and data analytics. The ability to adapt is essential in contemporary, rapidly changing market contexts, where customer trends and preferences vary swiftly. Utilising digital marketing technologies proficiently can greatly amplify a company's capacity to shape purchasing decisions, cultivate brand loyalty, and sustain a competitive advantage in the digital era.

3. *Product Quality and Price Factors That Influence Consumers' Decisions*

The interplay between product quality and price significantly impacts consumer buying choices, underscoring the crucial importance of perceived value in the marketplace. According to [10], buyers consistently evaluate the worth of things by considering the equilibrium between their quality and price, which influences their buying decisions. Consumers may not be inclined to favour a product that is priced excessively, even if it offers good quality, because the cost may exceed the perceived value. On the other hand, a product that is of inferior quality and is sold at a very low price may not be able to attract consumers if they view it as insufficient or below standard. Thus, firms must meticulously adjust their pricing strategies in accordance with product quality to meet or surpass consumer expectations, thereby maximising client acquisition and retention. Moreover, the interaction between the quality of a product and its pricing necessitates organisations to possess a profound understanding of their target customer. Consumer views of quality are dynamic and can significantly differ depending on demographic characteristics, personal experiences, and cultural influences. Businesses must collect and analyse consumer feedback in order to continuously improve their products or services. Effective alignment of products with market expectations can be achieved by strategic management of both product quality and pricing. By engaging in this practice, companies can not only cultivate client loyalty but also establish a distinctive brand identity that distinguishes them in highly competitive marketplaces. Proficiently handling these components can serve as a notable distinguishing factor, establishing corporations for enduring triumph in their particular sectors.

3. METHODS

We make use of quantitative research approaches in conjunction with associative research. Studies that are based on associations place an emphasis on the link between two variables. The purpose of this study is to investigate whether or not there is a correlation between the decisions that consumers make regarding their purchases and elements such as digital marketing, price, and product quality. A Likert scale will be utilized by the researchers in order to collect data. According to [11], the Likert scale is a technique that is utilized for the purpose of measuring the sentiments, views, and perceptions of individuals on social issues. This scale makes use of two variables: the independent variable, which is the perception of product quality, price, and digital marketing, and the dependent variable, which is the decision to purchase. According to the characters that are already in existence, the sample size that was employed for this study was 97 people. The statistical program known as the Sampling Processing and Sampling System (SPPS) is utilized for the purpose of conducting research data analysis.

4. RESULTS AND DISCUSSION

According to the results of the data processing that has been carried out, the variables product quality (X1), price (X2) and digital marketing (X3) influence purchasing decisions (Y) partially and simultaneously. The results obtained apply to each formula. and the research hypothesis is determined as follows:

1. How the quality of the product affects the decisions that are made regarding purchases
2. The impact of price on the decisions of buyers and sellers
3. The impact that digital marketing has on the decisions that consumers make to make purchases

Table 1. Partial Test Results (T)

Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
	B	Std. Error			
1 (Constant)	3.461	.849		4.079	<.001
Kualitas Produk	.192	.102	.229	1.876	.006
Harga	.385	.118	.417	3.269	.002
Digital Marketing	.183	.093	.197	1.960	.050

In this research, the variables Product Quality (X1), Price (X2), and Digital Marketing (X3) are linked to purchasing decisions (Y). The resulting regression equation model is as follows:

1. In the event that the values of Product Quality (X1), Price (X2), and Digital Marketing (X3) remain unchanged, the Purchase Decision (Y) is calculated to be 3.461. It is a value that does not change.
2. The regression coefficient for the product quality variable is $1 = 0.192$, which is a positive value. This suggests that if the product quality is able to match the expectations of the customers, then consumers in Denpasar City will be more likely to purchase an Android smartphone.
3. With a regression coefficient for the price variable $1 = 0.385$, a positive value indicates that if food prices rise, people in Denpasar City will be more likely to buy Android smartphones.
4. With a regression coefficient for the digital marketing variable of $1 = 0.183$, a positive value indicates that consumers in Denpasar City will be more likely to buy Android smartphones if digital advertising increases.

Table 2. Simultaneous Test Results (F)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	170.774	3	56.925	43.369	<.001
	Residual	112.881	86	1.313		
	Total	283.656	89			

With a significance value < 0.001 ($0.001 < 0.05$), the fcount value is greater than ftable, namely 43.369, greater than 2.71. This shows that H_0 is rejected and H_a is accepted. Thus, it can be concluded that product quality, price, and digital marketing simultaneously have a significant impact on consumer purchasing decisions.

CONCLUSION

The purpose of this study is to investigate the factors that influence consumers' decisions to purchase Android smartphones in Denpasar City, specifically with regard to product quality, pricing, and digital marketing elements. Following are some findings that can be drawn from the

research that was conducted on the influence of product quality, price, and digital marketing variables on Android smartphone purchasing decisions in Denpasar City. These conclusions are based on the formulation of the research problem:

1. There are discoveries to be made concerning the quality of the product (X1). Based on these findings, it is possible to draw the conclusion that the first hypothesis (H1) is correct: the quality of the product has a considerable or significant influence on the decisions that consumers make regarding their purchases.
2. The outcome can be found at the price (X2). One can get the conclusion that the second hypothesis (H2) is correct, which states that the price has a large or significant influence on the decisions that are made about purchases.
3. It has been discovered that there are findings concerning digital marketing (X3). As a result, the third hypothesis (H3), which states that digital marketing has an effect on purchasing decisions, can be accepted.
4. When the F test is used to examine the relationship between product quality, price, and digital marketing, it is possible to get the conclusion that there is a considerable influence on purchasing decisions when all three factors are examined combined. Purchasing decisions are the dependent variable, and the findings indicate that product quality, price, and digital marketing all have a substantial impact on the decision-making process about purchases.

ACKNOWLEDGEMENTS

In order for the author to be able to finish the thesis with the title "Purchasing Decisions Influenced by Product Quality, Price, and Digital Marketing on Android Smartphones in Denpasar City," the author expresses gratitude to the Almighty God for His blessings and mercies. This allows the author to have smooth work. Hello, Mrs. Vitalia Fina Professor Carla Rettobjaan, S.E., M.M. In my capacity as Head of the Digital Business Study Program at Bali International University, I would want to express my gratitude to you for assisting me in completing this thesis. As supervisor 1, Mr. A. A. Ngurah Bagus Aristayudha, S.E., M.M. is at your disposal. My supervisor 1 has been very helpful in providing me with direction, support, and assistance during the process of writing this thesis, and I would want to take this opportunity to convey my gratitude to him. Had it not been for his assistance and direction, I would not have been able to do this work in the appropriate manner.













I would like to take this opportunity to extend my heartfelt gratitude to the second supervisor, Mr. Kadek Riyan Putra Richadinata, S.E., M.M., for the direction, support, and assistance that he has provided during the process of preparing this thesis. It would not have been possible for me to accurately finish this task if he had not provided me with direction and assistance. My mother and father have shown me an unending amount of love, care, and support, and I would like to express my utmost gratitude to them. The support that my mother has provided me during this path of undergraduate education. To all of the lecturers in the field of digital business who have provided assistance and direction to the writer from the very beginning of the lecture until the completion of this thesis. To all of the writer's family members, friends, and friends, they have been of great assistance to the writer and have consistently provided him with support while he has been working on his thesis. I want to express my gratitude for your physical strength and your ability to complete your first degree.

REFERENCE

- [1] H. D. P. Ayu and N. Nurhadi, "The Influence Of Advertisement Appeal, Product Quality, And Brand Equity On Head & Shoulders Shampoo Purchase Decision In Surabaya," *EKOMBIS Rev. J. Ilm. Ekon. dan Bisnis*, vol. 12, no. 3, pp. 2787–2794, 2024.
- [2] N. P. D. P. P. Astaki and N. M. Purnami, "Peran Word of Mouth memediasi kualitas produk terhadap keputusan pembelian konsumen." Udayana University, 2019.

- [3] A. Ulansari and S. Syarifuddin, "Dinamika harga karet dan pengaruhnya terhadap perekonomian petani karet Kecamatan Muara Kuang Kabupaten Ogan Ilir Tahun 2009-2020," *J. Penelit. Karet*, pp. 41–48, 2022.
- [4] D. P. Ponomban, A. S. Soegoto, and D. C. A. Lintong, "PENGARUH KUALITAS PRODUK, HARGA, DAN DIGITAL MARKETING TERHADAP KEPUTUSAN PEMBELIAN PADA UMKM DAPUR HOT DI DESA TATELU, KECAMATAN DIMEMBE, KABUPATEN MINAHASA UTARA," *J. EMBA J. Ris. Ekon. Manajemen, Bisnis dan Akunt.*, vol. 11, no. 4, pp. 695–706, 2023.
- [5] P. Kotler and K. L. Keller, "Manajemen pemasaran." edisi, 2009.
- [6] D. Aaker, "Brand equity," *La Gest. del valore della marca*, vol. 347, p. 356, 1991.
- [7] R. Suri and K. B. Monroe, "The effects of time constraints on consumers' judgments of prices and products," *J. Consum. Res.*, vol. 30, no. 1, pp. 92–104, 2003.
- [8] P. Kotler, *Marketing management*. Pearson Education India, 2009.
- [9] D. Chaffey and F. Ellis-Chadwick, *Digital marketing*. Pearson uk, 2019.
- [10] V. A. Zeithaml, L. L. Berry, and A. Parasuraman, "Communication and control processes in the delivery of service quality," *J. Mark.*, vol. 52, no. 2, pp. 35–48, 1988.
- [11] S. Sugiyono, "Metode Penelitian Kualitatif . bandung: Alfabeta," *Google Sch. Alf.*, 2013.

BIOGRAPHIES OF AUTHORS

Formal Photo	<p>Ni Kadek Lisa Pebrianti     Saya menempuh Pendidikan selama empat tahun di Universitas Bali Internasional, yang berlokasi di Denpasar. Disini, saya mengambil jurusan Bisnis Digital, lisapebrianti28@gmail.com</p>
Formal Photo	<p>Full Name     Include your education from undergraduate to present, such as where, how many years, and where you took the course. In addition, you are asked for your area of expertise and your interest in conducting research. You can enter your ID using hyperlinks such as Orcid, Google Scholar, Scopus, and Publons. If you don't have that account, you can delete it. Can add email: Example fullname12389@gmail.com</p>
Formal Photo	<p>Full Name     Include your education from undergraduate to present, such as where, how many years, and where you took the course. In addition, you are asked for your area of expertise and your interest in conducting research. You can enter your ID using hyperlinks such as Orcid, Google Scholar, Scopus, and Publons. If you don't have that account, you can delete it. Can add email: Example fullname12321@gmail.com</p>