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The Influence of Products, Promotions And Discounts On Car Purchase Decisions at PT. Kumala Brilliant Immortal Wuling Motors Parepare City

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ABSTRACT

The Influence of Products, Promotions and Discounts on Car Purchase Decisions at PT. Kumala Brilliant Immortal Wuling Motors Parepare City. This study aims to determine how much influence the quality of the product, promotions and discounts on the decision to buy a car at PT. Kumala Brilliant Immortal Wuling Motors Parepare City. The method of analysis used in this research is the method of observation, interviews, questionnaires, and documentation as well as the method of determining the sample using the Roscoe approach and obtaining 40 respondents. The analytical method used is Multiple Linear Analysis. The results of this study indicate the influence of products, promotions and price discounts simultaneously on car buying decisions at PT. Kumala Brilliant Immortal Wuling Motors Parepare City. This is evidenced by the statistical results of Fcount of 99.778 with a significance of 0.000. Because the significance value is less than 0.05 ($0.000 < 0.05$), this study succeeded in proving "There is an effect of Products, Promotions, and Discounts simultaneously on Purchase Decisions". The results of the R2 Determinant Test in this study obtained the value of the R2 determinant of 0.893, which means that the magnitude of the influence of Products, Promotions and Price Discounts on car buying decisions is 89.3% and the remaining 10.7 % is influenced by other variables not included in this study.

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1. Introduction

Wuling's presence in Indonesia competes with well-known brands from Japan, Wuling launched its first product in Indonesia, namely Wuling Confero which targets the LMPV class with the lower middle class segment which will compete against its rivals, namely: Toyota Avanza, Suzuki Ertiga, Honda Mobilio, Nissan Grand Livina, Daihatsu Xenia and a new product from Mitsubishi, the Mitsubishi Expander.

Even though it is considered a newcomer, Wuling is quite aggressive in offering the cars it makes in Indonesia. In one year there have been two new cars produced by Wuling with various variants. The

car manufacturer with the five-diamond logo has also prepared new ammunition at 3 GIIAS exhibitions. Coming with the seven-passenger MPV concept, Wuling is targeting the low-cost, environmentally friendly car market. The strategy undertaken by Wuling to enter the low-cost car market is clear from the price tags offered for its two car products, namely Confero and Cortez. It turned out that Wuling has also prepared a new surprise with a product that will be launched next year. So that the car manufacturer from China seems optimistic enough to be able to show its existence in the four-wheeled vehicle market.

The following is the car sales data at PT. Kumala Cemerlang Abadi Wuling Motors Parepare from January to July 2021 and 2022.

Table 1. Car Sales Data at PT. Kumala Cemerlang Abadi Wuling Motors Parepare from January to July 2021

MONTH	BRAND			
	Almaz	Cortez	Confero	Confero S
January	1	0	1	1
February	0	1	1	2
March	0	1	1	1
April	1	1	0	1
May	2	1	0	0
June	0	0	1	2
July	1	0	1	0

Sumber : Wuling Kumala Motors Parepare Tahun 2022

Table 2. Car Sales Data at PT. Kumala Cemerlang Abadi Wuling Motors Parepare from January to July 2022

MONTH	BRAND			
	Almaz	Cortez	Confero	Confero S
January	0	0	1	1
February	1	1	0	0
March	1	1	0	1
April	1	0	0	2
May	1	1	0	2
June	1	1	1	1
July	1	0	1	2

Sumber : Wuling Kumala Motors Parepare Tahun 2022

Product Definition

According to Kotler and Armstrong (2008: 266) [1] Product is anything that can be offered to the market in order to attract attention, acquisition, use or consumption that can satisfy a want or need. Products include more than just tangible goods.

According to Sudaryono (2016: 207) a product is something that is offered to the market to be noticed, owned, used, or consumed so that it can satisfy wants and needs [2].

According to David Garvin, product quality has the following eight dimensions [3] :

- 1) Performance is the main operating characteristic of the purchased core product .
- 2) Features (additional features or characteristics), namely secondary or complementary characteristics.
- 3) Reliability , namely the small possibility that it will be damaged or fail to be used.
- 4) to Specifications , namely the extent to which the design and operating characteristics meet predetermined standards.
- 5) durability , which is related to how long the product can be used.
- 6) serviceability , includes speed, competence, convenience, ease of repair; and handling complaints satisfactorily.
- 7) Esthetics , namely the attractiveness of the product to the five senses.
- 8) Perceived Quality , namely the image and reputation of the product and the company's responsibility towards it.

Definition of Promotion

Promotion is a way of communicating the services or goods offered so that consumers know and buy. According to A. Hamdani (in Sunyoto , 2012: 154) [4] states that promotion is one of the variables in the marketing mix which is very important for companies to carry out in marketing their products.

According to Gunawan Adisaputro MBA (2010: 273) [5] Promotion is sales consisting of a group of incentives, mostly short-term designed to stimulate faster or greater number of purchases of certain products or services by consumers or trade actors. Where advertising offers reasons to buy, sales promotion provides incentives to buy.

Promotion Mix

In communicating its products to consumers, companies can do this through several promotional tools known as the promotion mix. Promotion mix is a set of tools used by companies to communicate their products to consumers. According to Kotler and Keller [6] the meaning of each promotional tool is as follows:

- 1) Advertising _
- 2) Sales Promotions (Sales promotions)
- 3) Events and Experiences
- 4) Public Relations and Publicity (Public relations and publicity)
- 5) Online and Social Media Marketing (Online and social media marketing)
- 6) Mobile Marketing (Market movements)
- 7) Direct and database marketing
- 8) Personal selling (Selling personally / directly)

Definition of Price

Price according to Philip Kotler and Armstrong (2008) is the amount of money billed for a product or service [7]. Price is one of the elements of the marketing mix that generates revenue, while the other elements represent costs. Prices are flexible, meaning they can change quickly.

a. Discount Indicators

According to Sutisna, a price discount is a reduction in the product price from the normal price within a certain period [8]. The indicators of price reductions are:

- 1) Price Discount Amount
The size of the size of the discount is given when the product is given a discount.
- 2) Discount period
The period of time is given when the product is given a discount.
- 3) Types of products that get discounted diversity of choices on discounted products.

Purchasing Decision Theory

According to Kotler and Keller, 2016 , consumer behavior refers to the buying behavior of the final consumer individual and buying households goods and services for personal consumption [6]. All final consumption combined will form a consumer market.

According to Buchari, argues that purchasing decisions are consumer decisions that are influenced by financial economics, technology, politics, culture, products, prices, locations, promotions, physical evidence, people, processes [9].

Purchasing Decision Indicators

In consumer purchasing decisions, there are six indicators of decisions made by buyers, according to Kotler and Keller [6]:

- 1) Product choice
- 2) Brand choice
- 3) Dealer Choice
- 4) Purchase amount (purchase amount or quantity)
- 5) purchase timings
- 6) Payment method

Research Method

1. Multiple Regression Analysis

Statistical analysis in this study used multiple linear analysis techniques using the SPSS program with the following formula:

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + e$$

where :

Y : Purchasing Decision

a : Constant

b : Regression Coefficient

X₁ : Products

X₂ : Promotions

X₃ : Discounted Price

e : Standard error

2. Validity Test

Testing the validity of the data is used to measure the legitimacy or validity of a questionnaire. Valid means that the instrument used can measure what is to be measured. The validity used in this study describes the suitability of a data meter with what will be measured.

Validity testing was carried out with the help of the SPSS program. Decision making based on the p value / significance value of less than 0.05 (5%) then the question item is declared valid and vice versa if the p value or significance is equal to or more than 0.05 (5 %) is considered invalid.

With degrees of freedom (df) = (n-2) and alpha = 0.05, so:

- a. The variable is said to be valid if r count is positive and r count > r table
- b. Variable is said to be invalid if r count is not positive and r count < r table .

3. Reliability Test

Reliability is a tool for measuring a questionnaire which is an indicator of a variable or construct. A questionnaire is said to be reliable or reliable if one's answers to the questions are consistent or stable from time to time. One shot or measurement only once, namely here the measurement is only once and then the results are compared with other questions or measuring the correlation between the answers to the questions. SPSS provides a facility to measure reliability with the Cronbach Alpha (α) statistical test.

A variable can be said to be reliable if it gives a Cronbach Alpha value > 0.60. A variable is said to be reliable, if :

- a. Result $\alpha > 0.60$ = Reliable
- b. Results $\alpha < 0.60$ = Not Reliable

4. Hypothesis testing

a. Statistical Test t (Coefficient)

Statistical t testing is a test of each independent variable. The t test (coefficient) will show the effect of each independent variable (partially) on the dependent variable. The hypothesis used:

- 1) If $t_{count} > t_{table}$ then H_0 is rejected and H_a is accepted.
- 2) If $t_{count} < t_{table}$ then H_0 is accepted and H_a is rejected.

b. Statistical Test f (Significant)

Significant (sig) where if the sig value is below 0.05 then the independent variable affects the dependent variable. The f-statistic test is used to prove that there is an influence between the independent variables on the dependent variable simultaneously.

Criteria:

- 1) If $f_{count} > f_{table}$, then H_0 is rejected and H_a is accepted.
- 2) If $f_{count} < f_{table}$, then H_0 is accepted and H_a is rejected.

c. Determination Coefficient Test (R²)

The coefficient of determination (good of fit), which is notified by R² is an important measure in the regression. Determination reflects the ability of the dependent variable. The purpose of this analysis is to calculate the influence of the independent variables on the dependent variable. R² shows how much the proportion of the total variation in the dependent variable can be explained by the explanatory variable. The higher the value of R² , the greater the proportion of the total variation in the dependent variable that can be explained by the independent variables.

Results and Discussion

The research that the authors carry out is research to identify the effect of products, promotions and price discounts on car buying decisions at PT. Kumala Brilliant Immortal Wuling Motors City of Parepare. The research that the writer will implement in order to facilitate research is by distributing questionnaires via Google form to a number of Wuling Kumala Motors customers in Parepare City as a sample of respondents in this research.

The data used in this research is in the form of data from the results of a questionnaire on the variables Product, Promotion, Discounts and purchasing decisions. The data was obtained from the respondents' answers to the questionnaire distributed to customers of PT. Kumala Brilliant Immortal Wuling Motors City of Parepare.

In this research, the characteristics of the respondents were divided into three groups, namely: gender, age and occupation, with a total of 40 respondents.

Data Analysis

1. Validity Test

Table 3. Validity Test

No	Variables	Indicators	rCount	rTable	Reviews
1	Product	X1-1	0.914	0.312	Legal
		X1-2	0.849	0.312	Legal
		X1-3	0.870	0.312	Legal
		X1-4	0.895	0.312	Legal
		X1-5	0.864	0.312	Legal
		X1-6	0.796	0.312	Legal
		X1-7	0.845	0.312	Legal
		X1-8	0.922	0.312	Legal
2	Promotions	X2-1	0.905	0.312	Legal
		X2-2	0.841	0.312	Legal
		X2-3	0.803	0.312	Legal

		X2-4	0.885	0.312	Legal
		X2-5	0.812	0.312	Legal
		X2-6	0.853	0.312	Legal
		X2-7	0.862	0.312	Legal
		X2-8	0.850	0.312	Legal
		X3-1	0.966	0.312	Legal
3	Discounts	X3-2	0.922	0.312	Legal
		X3-3	0.880	0.312	Legal
		Y-1	0.894	0.312	Legal
		Y-2	0.838	0.312	Legal
4	buying	Y-3	0.873	0.312	Legal
	decision	Y-4	0.716	0.312	Legal
		Y-5	0.928	0.312	Legal
		Y-6	0.866	0.312	Legal

In the rTable test, it was determined that the sample value (N) = 40 - 2 was 0.3120. Referring to the results of the validity test, it was found that all indicators were independent variables starting from Products (X 1), Promotions (X 2), and Discounts (X 3), all of them get rCount > than rTable values. Besides that, the dependent variable Purchase Decision (Y) also obtains rcount > than rTable. So, it can be said that all the indicators in this study can be declared valid.

Reliability Test

Table 4. Reliability Test

No	Variables	Cronbach Alpha (α)	Reviews
1	X ₁	0.951	
2	X ₂	0.945	Reliable $\alpha > 0.60$
3	X ₃	0.909	
4	Y	0.916	

Table 4 proves the value of α (alpha) in each variable is more than the value of 0.60. So it can be concluded that all the statement points in the questionnaire can be trusted.

Multiple Linier Analysis

Table 5. Coefficient

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
(Constant)	.441	.211		2096	.043
Products (X1)	.263	.137	.278	1919	.063
Promotions (X2)	.515	.132	.574	3,902	.000
Discounted Price (X3)	.109	.105	.122	1037	.307

Based on the Multiple Linear Analysis Test above using the SPSS Statistics 22 application, the results obtained are:

$$Y = 0.441 + 0.263X_1 + 0.515X_2 + 0.109X_3$$

which is described as follows:

- Constant coefficient as much 0.441 so if there are no Product, Promotion, and Price Discount variables, then the purchase decision is as much as 0.441.
- Product regression ___ _ as much as 0.263 going to positive, so each increment product quality, as much as 1 point and other variables are consistent, then the purchase decision is obtained an increase of as much as 0.263.
- Regression _ promotion _ as much as 0.515 going to positive, so each promotion quality increases by 1 point and other variables are consistent, then the purchase decision gets an increase of as much as 0.515.
- Regression of price cuts as much as 0.109 going to positive, so every increase in Quality discount as much as 1 point and other variables are consistent, so buying decisions get an increase of as many as 0.109.

Hypothesis Test

Partial Test

Table 6. Test Result t

Model	Nonstandard coefficients standard.		Standard coefficients	t	Sig.
	B	Error	Betas		
(Constant)	.441	.211		2096	.043
Products (X1)	.263	.137	.278	1919	.063
Promotions (X2)	.515	.132	.574	3,902	.000
Discounted Price (X3)	.109	.105	.122	1037	.307

Simoultant Test (f)

Table 7. Test f

Model		Squared sum	df	MeanSquare	F	Sig.
1	Regression	19,816	3	6605	99,778	.000 ^b
	residual	2,383	36	.066		
	Total	22,199	39			

Determination Test

Table 8. R Test Results

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.945 ^a	.893	.884	.25729

Seen in table 8, it is found that the value of R² is 0.893, which means that the product, promotion, and price discount variables have an effect of 89.3% on purchasing decisions and 10.7% are influenced by other variables that are not yet present in this research.

Conclusions

This study aims to determine the effect of the variables Product (X₁), Promotion (X₂), Discounts (X₃), influence the Purchase Decision (Y) at PT. Kumala Cemerlang Abadi Wuling Motors Kota Parepare, to find out which one is the most dominant among the independent variables. From the

formulation of the problem, then the proposed data analysis in the discussion of this chapter can be drawn several conclusions, namely:

1. Effect of Products on Car Purchase Decisions at PT. Kumala Brilliant Immortal Wuling Motors City of Parepare

Product variables do not significantly influence the decision to buy a car at PT. Kumala Cemerlang Abadi Wuling Motors City of Parepare, this is proven from the value of t count $< t$ table ($1.919 < 2.028$) and $sig > 0.05$ ($0.063 > 0.05$) then H_0 is accepted and H_a is rejected and the regression coefficient has a positive value of 0.137. It can be concluded that there is no significant effect on product variables on purchasing decisions.

2. The Effect of Promotion on Car Purchase Decisions at PT. Kumala Brilliant Immortal Wuling Motors City of Parepare

Promotional variables significantly influence the decision to buy a car at PT. Kumala Cemerlang Abadi Wuling Motors City of Parepare, this is proven from the t count $> t$ table ($3.902 < 2.028$) and $sig < 0.05$ ($0.000 > 0.05$) then H_0 is rejected and H_a is accepted as well as the regression coefficient has a positive value of 0.132. It can be concluded that the Promotion variable has a significant and at the same time the most influential effect on the Purchasing Decision .

3. The Effect of Price Discounts on Car Purchase Decisions at PT. Kumala Brilliant Immortal Wuling Motors City of Parepare

Price discount variable does not significantly influence the decision to buy a car at PT. Kumala Cemerlang Abadi Wuling Motors City of Parepare, this is proven from the value of t count $< t$ table , namely $1.037 < 2.028$ and $sig > 0.05$, namely $0.307 > 0.05$ then H_0 is accepted and H_a is rejected and the regression coefficient has a value positive of 0.105. It can be concluded that there is no significant effect on the discount variable on purchasing decisions.

4. Effect of Products, Promotions, and Discounts on Car Purchase Decisions at PT. Kumala Brilliant Immortal Wuling Motors City of Parepare

Product, Promotion, and Discount Variables simultaneously affect the decision to buy a car at PT. Kumala Cemerlang Abadi Wuling Motors Kota Parepare, this is evidenced by the statistical results F count of 99,778 which is greater than the f table of 2.86 and a significant value of 0,000. Because the significant value is less than 0.05 ($0.000 < 0.05$). So it can be concluded that this study proves the hypothesis "There is an effect of Products, Promotions, and Discounts simultaneously on Purchase Decisions".

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