

THE INFLUENCE OF BRANDING AND PRICE ON PURCHASE DECISIONS OF SKINCARE PRODUCTS

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The purpose of this study is to ascertain the impact of pricing and branding on skincare purchase decisions. This research employs a quantitative methodology. There were 200 participants in this study, all of them were students. The sample is used through random sampling, which groups the adjusted ages. In this investigation, 150 samples were used. strategies for gathering data for research using a questionnaire. According to the data analysis's findings, branding and price have a considerable, simultaneous, and partial influence on consumers' decisions to buy skincare. As can be observed, the findings of the study's partial t test indicate that branding has a significance of 0.000. The t-count obtained is higher than the t-table value, which is 1.978, when compared to it. Additionally, a significant value of 0.000 was found for the price significance results for skincare choices. The t-count obtained is higher than the t-table value, which is 1.978, when compared to it. 60% is indicated by the coefficient of determination, or R square, of 0.60.

Keywords: Branding, Price, Purchase Decision, Skincare

1. Introduction

Progress is accelerating in the current era of growth, particularly in the area of sharia-based economics, which is developing rather quickly. Recently, the Halal Lifestyle has become popular throughout the world, not just in nations with a majority of Muslims but even in those without a Muslim majority. Muslims are required to eat halal and thayyib (good) items. It is a condition that has to be satisfied before a product can be consumed. One could argue that Indonesia, one of the nations with the greatest Muslim populations, is a potential market for halal goods [1]. Because Indonesia has so much potential, it becomes a great opportunity for producers to market it. As Muslims, we are required to behave in accordance with what is taught by religion, namely, what is lawful and good, and to stay away from things that are forbidden by religion. Halal certification is one of the things and an important strategy for encouraging consumer interest in halal cosmetic products. Halal product certification is a written fatwa from the Examining Agency stating that a food item is halal. The Indonesian Ulema Council (MUI)'s halal certification gives customers assurance in a product. In light of this knowledge, one of the things that influences how consumers behave and what they decide to buy is halal certification. The decision to choose one action over two or more alternate courses of action is referred to as a buy. Customers now have the option to select the product they want to utilize [2].

When referring to a product in the form of goods or services from a manufacturer and differentiating it from other manufacturers, a brand or mark is a name that stands out or acts as a symbol (such as a logo, trademark, or packaging design). The brand is also one of the marketing strategies to keep the product attached to consumers [3]. Each brand has different characteristics, so consumers choose brands that are similar. From the consumer's perspective, brands facilitate purchases and persuade customers that they will receive products of consistently high quality. Additionally, patented brands can increase the degree of protection these products have against



piracy and counterfeiting. The value that a product or service offers to a business or a client can be increased or decreased depending on the brand's name and logo [4].

Indonesia's vast population and appealing market share are linked. By offering a branding strategy or using an identity, this makes consumers interested in buying that brand or product [5]. Because it is only natural for consumers to be more selective in paying attention to every halal product they consume, not only in terms of brand trust but even in terms of quality, consumers are now paying more attention. Many of today's consumers are looking for brands that contain halal content. This is because there are several values that can provide a sense of comfort to consumers. Especially in Indonesia, cosmetics are a daily necessity that must exist for women [6]. Cosmetics have a very important role in increasing a woman's self-confidence, so it is not surprising that cosmetics are now classified as primary needs. Today, competition in the world of the cosmetic industry is felt to be increasing rapidly, which is marked by several increases in competition between these cosmetic companies. In the Republic of Indonesia, there are currently at least 760 big, medium, and small-scale cosmetic enterprises that create and market makeup brands, according to data from the Ministry of Industry [7].

One component of the marketing mix is price. The targeted value position of the company for its product and brand is also communicated through price to the target market. In this instance, a seller uses price to set his offer apart from rivals. Thus, that pricing can be regarded as a component of marketing's function of product differentiation. When buying a product, buyers are also quite attentive to price [8]. Consumers also take into account aspects including brand image, retail location, service, value, product features, and quality in addition to price when making purchases. Some shoppers believe that if something is pricey, it must be of good quality. This theory applies to the upper class, while according to Budi Rahayu's research, it does not apply to the lower middle class because the system that is implemented is that they only have skincare products [9].

Pricing practices are always correlated with how well consumers are served. When the price is related to the perceived advantages of a good or service, from the perspective of the consumer, price is frequently employed as an indicator of value. Consumers can be particularly price sensitive in some circumstances (e.g., elastic demand), in which case a product's comparatively high price in comparison to its rivals may be disregarded. However, in other circumstances, price can be taken as a stand-in for an indicator of product quality, leading to greater prices being perceived favorably by some market segments. Because consumers are prepared to pay a specific amount of money to purchase a quality product, companies must offer quality products and add value with good quality and reliability to ensure that the product will always be ingrained in the thoughts of consumers. Quality is a significant marketing strategy in addition to being one of the criteria that consumers take into account before purchasing a product [8].

2. Methods

It is utilized in this study to gather information on the effects of pricing and branding on skincare product purchases. The used questionnaire is a closed model because the responses have already been given, and the assessment makes use of a Likert scale to gauge a person's or a group's attitudes, opinions, and perceptions on social phenomena. 200 pupils made up the study's sample. In this investigation, random sampling was the method of sampling used. This study employs a particular quantitative methodology. In order to examine the hypotheses that have been established, quantitative research uses data in the form of numbers and statistical analysis. The research technique employed in its execution is a questionnaire-based survey. Using a questionnaire, a survey simulates the process of gathering data or information from a sample that has been carefully chosen to reflect the entire community. Due to the fact that the data will be in the form of numbers, the SPSS application will be used to further analyze the figures. Purchase



decisions serve as the dependent variable in this study, while brand and price serve as the independent factors. Data analysis is a step in the quantitative technique that is taken after all respondents' data or data from other sources has been gathered. The grouping of data based on variables from all respondents, the presentation of data for each variable under study, calculations to address the problem formulation, and calculations to test put forth hypotheses are all activities in data analysis. Because the study's data are presented in the form of statistics and statistical analysis, this method is known as the quantitative approach. With the aid of SPSS (Statistical Product and Service Solution) software, researchers conducted an independent sample t-test and multiple linear regression analysis.

3. Results and Discussion

According to the study's findings, demonstrating the influence of branding on buying choices (X1) has a favorable impact on decisions to buy skincare goods. The significant value that has a favorable impact on skincare purchases serves as proof of this. As can be observed, the branding variable has a significant value of 0.003 and is known to have a value. The t-count obtained is higher than the t-table value ($3.001 > 1.978$) when compared to the t-table value of 1.978. These findings suggest that branding significantly influences consumers' decisions to buy skincare products. As a result, H1 is approved and H0 is refused. Testing the relationship between branding (X1) and purchase choices (Y) reveals that branding significantly influences consumers' decisions to buy skincare goods, hence hypothesis (H1) is accepted. These findings might imply that consumers are more likely to buy skincare items when they have a positive view of the brand. Conversely, the lower the purchasing decision, the worse the brand's reputation is perceived to be in skincare items.

The findings of this study are consistent with a number of earlier studies that demonstrate how branding significantly affects purchasing choices. The indications from the results of this study are that Branding is a name, term, symbol, or other thing that can become an identity for a product or service. Indonesia, with a majority Muslim population, has a good opportunity to attract consumers by introducing halal products and halal labels with characteristics that will attract more consumers, including skincare products. The need for skincare products with Branding is higher as law requires using, utilizing, or consuming something that is guaranteed to be halal and safe. Therefore, consumer perceptions of products with good Branding will increase purchasing decisions for these products.

According to the study's findings, demonstrating the influence of pricing (X2) on purchase decisions (Y1) has a favorable impact on decisions to buy skincare goods. The significant value that has a favorable impact on skincare purchases serves as proof of this. As can be observed, the significance value for the price variable is known to be 0.000. The t-count obtained is higher than the t-table value ($7.462 > 1.978$) when compared to the t-table value of 1.978. These findings suggest that the price has a substantial impact on consumers' decisions to buy products. H0 is therefore disapproved whereas H2 is approved. Price has a major impact on purchasing decisions for skincare goods, according to research testing the effect of price (X2) on those decisions (Y), hence hypothesis 1 is accepted. These findings might imply that consumers are more likely to make a purchase when they perceive the cost of skincare items favorably. Conversely, the lower the purchase decision, the worse the pricing for skincare items is seen. The findings of this study are consistent with a number of earlier studies that demonstrate how price affects purchases significantly. According to the study's findings, pricing affects demand fluctuations for a product as well as serving as an indicator of the advantages of a good or service, including skincare items. When choosing a skincare product, buyers take into account variables including price affordability, price compatibility with quality, price competitiveness, and price compatibility

with the advantages acquired. As a result, consumer perceptions of the proper product pricing will affect the choice to buy.

According to the study's findings, demonstrating how branding (X1) and price (X2) affect purchase decisions (Y1) has a favorable impact on consumer decisions to buy products. The significant value that has a favorable impact on skincare purchases serves as proof of this. The price and branding variables' values are known, as can be seen, and the f-value is 101.791 with a significance level of 0.000. The f-count obtained is higher than the f-table value ($101.791 > 3.064$) when compared to the f-table value of 3.064. These findings suggest that pricing and branding both have a large simultaneous impact on consumers' decisions to buy skincare items. H0 is thus disapproved whereas H3 is approved. Testing the interaction between branding (X1) and pricing (X2) on buying behavior (Y) reveals that branding and price both significantly influence buying behavior for skincare goods, hence hypothesis (H1) is accepted. These results can mean that the better the perception of Branding and prices for skincare products, the higher the purchasing decision. Vice versa, the worse the perception of Branding and prices for skincare products, the lower the purchasing decision. This outcome is consistent with earlier study, which found that a variety of influencing factors have a role in purchase decisions. Purchasing decisions for skincare brands for some groups, especially the Muslim community, can be determined from their perceptions of Branding on a product, namely from the selection of raw materials, production processes, labour, promotions in terms of advertising, packaging, and distribution to consumers based on characteristics. Purchasing decisions for skincare brands are also determined by affordability and price suitability because it relates to consumers' purchasing power for skincare products that they will use on an ongoing basis. Therefore, consumer perceptions of products with good Branding and appropriate prices will increase purchasing decisions for these products.

4. Conclusions

H1 is approved because branding has a substantial impact on consumers' decisions to buy skincare goods. The acquisition of a t-count value bigger than t-table ($3.001 > 1.978$) with a significant value of 0.003 serves as proof of this. These findings suggest that branding significantly influences consumers' decisions to buy products. As a result, H1 is approved and H0 is refused. H2 is recognized because price has a big impact on consumers' decisions to buy products. The acquisition of a t-count higher than the t-table ($7.462 > 1.978$) with a significance value of 0.000 serves as proof of this. These findings suggest that the price has a substantial impact on consumers' decisions to buy products. H0 is therefore disapproved whereas H2 is approved. H3 is recognized because branding and pricing both have a large impact on consumers' decisions to buy products. The fact that the value of f-count is higher than f-table ($101.791 > 3.064$) with a significance value of 0.000 serves as proof of this. These findings suggest that branding and pricing both have a substantial impact on consumers' decisions to buy products. H0 is thus disapproved whereas H3 is approved. The average decision size for product purchases will be 0.991 if the purchase decision variable (Y) is not influenced by the two independent variables, branding (X1) and price (X2), according to the results of the Multiple Linear Regression Test. The Branding variable (X1) has a positive regression coefficient of 0.263, which means that for every 1% rise in Branding perceptions, there will be a corresponding increase in product purchase decisions of 26.3%. The pricing variable (X1) exhibits a positive regression coefficient, showing a one-way association with the purchasing decision (Y). The variable X2's regression coefficient is 0.445, which means that for every 1% rise in perceived price, there will be a 44.5% increase in product purchase decisions. And according to the results of the F test, the coefficient of determination test results produced by 61% show that branding and price have the greatest influence on product purchase decisions, with other factors not taken into account in the

research model having the greatest influence on 39% of decisions. Consequently, the impact of price and branding on purchasing decisions exists.

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