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THE EFFECT OF VARIATION OF PRODUCTS AND PRICES ON CONSUMER PURCHASE DECISIONS

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ABSTRACT

In the Taman Bunga Dusun 5 subdistrict, Pagar Merbau District, Deli Serdang Regency, North Sumatra, this study intends to examine the impact of product variants and prices on customer purchasing decisions of decorative plants. Random sampling was utilized as the sample method. The sample size in this study is 55 people, based on the Slovin formula, which has a 10% error rate. A questionnaire was utilized to collect data. The equation Y = 6.880 + 0.606X1 + 0.447X2 was derived from the results of multiple linear regression analysis. The regression coefficient of the product variation variable (X1) obtained a t-count value of 3.666 > t-table 2.006 in the partial test (t test), indicating that product variation has a positive and significant effect on purchasing decisions with a significant value of 0.001 < 0.05 in the partial test (t test). With a significant value of 0.000 < 0.05, the regression coefficient for the price variable (X2) obtained a t-count value of 3.982 > t-table 2.006, indicating that the price has a positive and significant effect on purchase decisions. The F test revealed that the Fcount value of 49.305 > Ftable 3.18 with a significant value of 0.000<0.05, implying that product and price differences had a positive and significant impact on purchase decisions at the same time. The coefficient of determination test reveals that product variation and price variables have a 65.5 percent influence on the purchasing decision variable, with the remaining 34.5 percent influenced by variables outside of this study.

INTRODUCTION

The Covid-19 pandemic has impacted all parts of the economy, including the agricultural sector, particularly agribusiness players. Horticultural commodity development offers tremendous prospects, and its function is critical in ensuring that the agriculture sector's business does not lag behind other industries. Ornamental plants are currently one of the most popular horticultural products. This is due to the fact that attractive plants have a variety of distinct traits.

One of the ornamental plant centers in the flower garden area of Dusun 5, Pagar Merbau sub-district, Deli Serdang Regency, North Sumatra, sells many varieties of decorative plants and instruments to encourage the growth of ornamental plants. Sellers of decorative plants in the flower garden region of Dusun 5, Pagar Merbau sub-district, continue to increase ornamental plant cultivation through self-cultivation or in collaboration with other partnerships in order to meet demand. In the community, these decorative plants have been utilized for religious occasions, traditional ceremonies, marriages, as gifts, and for flower bouquets, in addition to

contributing aesthetic value or on the basis of preference. The types of attractive plants found in the flower garden area of the 5 sub-districts of fence merbau are listed below.

Table 1: Types of Ornamental Plants and Prices in Dusun 5, Pagar Merbau District's Flower Garden

No	Types of Ornamental Plants	Price
1.	Syngonium Pink Perfection	Rp. 150.000
2.	Philedendron Emerald Black	Rp. 250.000
3.	Baby Monstera	Rp. 250.000
4.	Monstera Deliciosa	Rp. 300.000
5.	Alocasia Amazon	Rp. 200.000
6.	Manaloa	Rp. 250.000
7.	Anthurium	Rp. 300.000
8.	Caladium New Wave	Rp. 250.000
9.	Caladium Red Devil	Rp. 200.000
10.	Caladiun Iindenii	Rp. 250.000
11.	Caladium Tears of The Sun	Rp. 200.000
12.	Caladium Pink Pillow	Rp. 300.000
13.	Anglonema Suksom	Rp. 250.000
14.	Anglonema Red Ruby	Rp. 200.000
15.	Anglonema Kochin	Rp. 250.000
16.	Anglonema Bidadari	Rp. 300.000
17.	Anglonema Red Sumatra	Rp. 350.000
18.	Big Papa	Rp. 250.000
19.	Big Mama	Rp. 250.000
20.	Big Roy	Rp. 150.000
21.	Calathea Silver	Rp. 200.000
22.	Calathea Flamestar	Rp. 250.000
23.	Calathea Warscewiczi	Rp. 350.000
24.	Calathea Orbifolia	Rp. 550.000

Source: Ornamental Plants in the Flower Garden Area of Dusun 5, Pagar Merbau District, 2022

The phenomena discovered as a result of the research is that the range of attractive plant items in the flower garden region of Dusun 5, Pagar Merbau sub-district is still deficient in many sorts, limiting customer purchasing selections. In the flower garden area of Dusun 5, Pagar Merbau sub-district, the price of decorative plants is still significantly high compared to before the Covid-19 outbreak, but buyers continue to purchase ornamental plants. The goal is to improve health and provide aesthetic value to the room during the Covid-19 pandemic.

Product variations, according to Faradisa et al (2016), are brands or product lines that can be recognized based on size, price, appearance, or other factors. As a result, product variation can be defined as a strategy for increasing product diversity in order to ensure that consumers obtain the items they want and need. It's

important to think about product variety. The company will almost likely be unable to compete with other companies if the product is not diverse. The indicators connected to product variation, according to Istiqomah (2019), are 1) the number of product varieties, 2) the types (categories) of products sold, 3) the number of product sizes, and 4) the number of colors of material items.

Price, according to Tjiptono and Chandra (2012), is the amount of money (monetary unit) and/or other (non-monetary) features that include specific utilities required to obtain a commodity. Price, according to Kotler and Armstrong (2014), is the amount of money charged for a product or service, or the amount of money exchanged by consumers for the benefits of owning or utilizing these products and services. 1) price affordability, 2) price suitability with product quality, 3) price competitiveness, and 4) price suitability with advantages are the pricing indicators. According to Masrani and Syamsuri (2016), product pricing might lead to a reduction in sales and market share because the number of sales is not maximized. To boost product sales and market share, the selling price must be determined in accordance with the anticipated market share.

According to Kotler and Armstrong (2014), purchasing decisions are a problem-solving process that includes analyzing or recognizing needs/wants, gathering information, evaluating selection sources for purchasing alternatives, making purchasing decisions, and following up on the purchase. Trial purchases, recurrent purchases, and long-term purchases, according to Schiffman and Kanuk (2013), are markers to measure purchasing decisions. 1) purchase needs/wants, 2) seeking information, 3) selecting from product purchases, 4) trial purchases, 5) recurrent purchases, and 6) long-term purchases were the purchasing decision indicators employed in this study.

METHOD

A quantitative descriptive investigation is what this type of study is. The study took place at Dusun 5, Pagar Merbau sub-district, Deli Serdang Regency, North Sumatra, in the flower garden region. Observation, documentation, and questionnaires were utilized to collect data in this study. With an average of 125 people per month, the population in this study was buyers of decorative plants in the flower garden region of Dusun 5, Pagar Merbau sub-district. The sample was taken using a random sampling method. The Slovin formula was used to take samples, and with a 10% error rate, the sample size in this study was 55 persons.

RESULTS AND DISCUSSION

Research result

The validity test is used to determine the validity or validity of a questionnaire, according to Ghazali (2018). In this study, 30 respondents from the general population were used to test the validity and reliability, with the following provisions: total correlation > value measurement criteria (0.5). Table 2 shows the results of the validity test in this study:

Table 2. Validity Test Results

Variable Indicator Items	Total Correlation	Criteria Value Measurement	Information
X1.1	0,846	0,5	Valid
X1.2	0,820	0,5	Valid
X1.3	0,838	0,5	Valid
X1.4	0,720	0,5	Valid
X2.1	0,795	0,5	Valid
X2.2	0,863	0,5	Valid
X2.3	0,918	0,5	Valid
X2.4	0,760	0,5	Valid
Y.1	0,833	0,5	Valid
Y.2	0,844	0,5	Valid
Y.3	0,864	0,5	Valid
Y.4	0,822	0,5	Valid
Y.5	0,801	0,5	Valid
Y.6	0,690	0,5	Valid

Description: Total correlation > Value Measurement Criteria (0.5)
Source: Research Results, 2022

Reliability tests were conducted to see if the results were consistent while using the same measuring device. If the Croanbach Alpha value is greater than the value measurement threshold, the indicator in the questionnaire can be approved (0.6). The findings of this study's reliability test can be found in Table 3:

Table 3. Reliability Test Results

Variable	Croanbach Alpha	Criteria Value Measurement	Information
Product Variations	0,818	0,6	Reliable
Price	0,851	0,6	Reliable
Buying decision	0,892	0,6	Reliable

Description: CA > Criteria for measuring value (0.6).
Source: Research Results, 2022

Tables 2 and 3 reveal that all of the items are declared legitimate and trustworthy. The following study employs the traditional assumption tests of normality, multicollinearity, and heteroscedasticity. The following are the results of the one-sample Kolmogorov-Smirnov technique normality test, which are reported in Table 4:

Table 4. Normality Test Results
One-Sample Kolmogorov-Smirnov Test

Unstandardized Residual		
N		55
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	1.61058974
Most Extreme Differences	Absolute	.070
	Positive	.070
	Negative	-.060
Test Statistic		.070
Asymp. Sig. (2-tailed)		.200[c,d]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Description: Asymp. sig. (2-tailed) > 0.05.
Source: Research Results, 2022.

Table 4 shows a normality test with an Asymp value using the One-Sample Kolmogorov-Smirnov method. 0.200 > 0.05 significant level Sig. (2-tailed). As a result, the data can be assumed to be regularly distributed. Table 5 shows the following results from the multicollinearity test:

Table 5. Multicollinearity Test Results
Coefficients[a]

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Product Variations	.505	1.979
	Price	.505	1.979

a. Dependent Variable: Buying decision

Description: VIF value < 10 and tolerance value > 0.1.
Source: Research Results, 2022

The product variation variable has a VIF value of 10 (1,979 10) and a tolerance value of > 0.1 (0.505 > 0.1) as shown in Table 5. There is no multicollinearity because the price variable has a VIF value of 10 (1,979 10) and a tolerance value of > 0.1 (0.505 > 0.1). The following are the results of the glejser technique heteroscedasticity test:

Table 6. Heteroscedasticity Test Results with Glejser

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	2.639	1.057		2.496	.016
	Product Variations	-.057	.095	-.115	-.601	.551
	Price	-.028	.064	-.084	-.439	.662

a. Dependent Variable: ABS_RES

Source: Research Results, 2022

The significant value of the product variation variable (X1) is 0.551 and the pricing variable (X2) is 0.662, according to a heteroscedasticity test utilizing the glejser technique. Because the significant value is more than 0.05, this explains why there is no heteroscedasticity. Table 7 displays the results of this study's multiple linear regression test:

Table 7. Multiple Linear Regression Test Results

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	6.880	1.846		3.727	.000
	Product Variations	.606	.165	.420	3.666	.001
	Price	.447	.112	.456	3.982	.000

a. Dependent Variable: Buying decision

Source: Research Results, 2022

The following multiple linear regression equation is derived from Table 7: Y = 6.880 + 0.606X1 + 0.447X2. The buying decision has a constant value of 6.880 if the product variation and price variables are both zero. The product variation regression coefficient is 0.606, which means that if the product variation variable rises by one unit, the purchasing decision variable rises by 0.606. The price regression coefficient is 0.447, which means that if the price variable rises by one unit, the purchase decision variable rises by 0.447 as well.

The t-test was performed to test the study hypothesis. The purpose of this test was to see how the independent factors, product variation (X1) and price (X2), affected the dependent variable, purchasing decisions (Y). The following criteria were used to make the decision: error rate (e) = 5%, degrees of freedom (df) = n (number of samples) – k (number of variables utilized) = 55 – 3 = 52, and t table = 2.006. Table 8 displays the results of the t test:

Tabel 8. Partial Test Results (t Test)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	6.880	1.846		3.727	.000
	Product Variations	.606	.165	.420	3.666	.001
	Price	.447	.112	.456	3.982	.000

a. Dependent Variable: Buying decision

Source: Research Results, 2022

Table 8 shows that the product variation variable (X1) has a t-count value of 3.666 > t-table 2.006, indicating that product variation has a positive and significant effect on purchasing decisions, with a significant value of 0.001 < 0.05. With a significant value of 0.000 < 0.05, the price variable (X2) has a t-count value of 3.982 > t-table 2.006, indicating that the price has a positive and significant effect on purchase decisions.

The F test was used to see if the independent factors, product variation (X1) and price (X2), had a significant association with the dependent variable, purchasing decisions, at the same time (Y). The following criteria were used to make the decision: error rate (%) = 5%, numerator degree = k (number of variables used) - 1 = 3 - 1 = 2, denominator degree = n (number of samples) - k (number of variables used) = 55 - 3 = 52, F table = 3.18. Table 9 shows the results of the Simulative Significant Test (Test F):

Table 9. Simulative Significant Test Results (Test F)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	265.633	2	132.817	49.305	.000[b]
	Residual	140.076	52	2.694		
	Total	405.709	54			

a. Dependent Variable: Buying decision

b. Predictors: (Constant), Price, Product Variations

Source: Research Results, 2022

Table 9 reveals a significant value of 0.000 0.05 for the Fcount value of 49.305 > Ftable 3.18. This demonstrates that product and price changes have a favorable and significant impact on purchasing decisions when they occur simultaneously. The coefficient of determination was used to investigate the impact of the independent variables, product variation (X1) and price (X2), on the dependent variable, purchasing decision (Y). Table 10 shows the results of the coefficient of determination:

Table 10. Coefficient of Determination Test Results (R2)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.809[a]	.655	.641	1.64127

a. Predictors: (Constant), Price, Product Variations

b. Dependent Variable: Buying decision

Source: Research Results, 2022

The R Square value of the product variation variable (X1) and the pricing variable (X2) on the purchasing choice variable (Y) is 0.655, according to Table 10. It may be inferred that product and price changes have a 65.5 percent influence on the purchasing decision variable, with the remaining 34.5 percent influenced by variables outside the scope of this study.

Discussion

The t-test of the product variation variable (X1) yielded a t-count value of 3.666 > t-table 2.006, indicating that product variations have a positive and significant impact on purchasing decisions, with a significant value of 0.001 < 0.05, indicating that the hypothesis is accepted. These findings support Faroh and Junaidi's (2019) findings that product differences have a favorable and significant impact on purchasing choice variables.

The price variable (X2) has a t-count value of 3.982 > t-table 2.006, indicating that price has a positive and significant impact on purchasing decisions, with a significant value of 0.000 < 0.05, indicating that the hypothesis is accepted.
These findings support Lubis's (2015) research, which found that price had a positive and significant impact on the purchasing decision variable.

The F test revealed that the Fcount value of 49.305 > Ftable 3.18 with a significance level of 0.000 < 0.05. It can be stated that product and price changes have a positive and significant impact on purchasing decisions when they occur simultaneously. The coefficient of determination test reveals that product variation and price variables have a 65.5 percent influence on the purchasing decision variable, with the remaining 34.5 percent influenced by variables outside of this study.

CONCLUSION

1. In the Taman Bunga Dusun 5 sub-district, Pagar Merbau District, Deli Serdang Regency, North Sumatra, product differences have a positive and significant impact on customer purchase decisions for ornamental plants.
2. In the Taman Bunga Dusun 5 sub-district, Pagar Merbau District, Deli Serdang Regency, North Sumatra, price has a positive and significant effect on customer purchase decisions for decorative plants.
3. In the Taman Bunga Dusun 5 subdistrict, Pagar Merbau District, Deli Serdang Regency, North Sumatra, simultaneous product and price fluctuations have a positive and significant effect on consumer purchase decisions for decorative plants.

RESEARCH LIMITATIONS

There are theoretical constraints to the research Limitations of the Effect of Product and Price Variations on Consumer Purchase Decisions for Ornamental Plants in the Taman Bunga Dusun 5 subdistrict, Pagar Merbau District, Deli Serdang Regency, North Sumatra. Further research is expected to be able to add to and complete the theories in order to complete this study.

RESEARCH IMPLICATIONS

In the Taman Bunga Dusun 5 subdistrict, Pagar Merbau District, Deli Serdang Regency, North Sumatra, sellers of ornamental plants can enhance the sorts of ornamental plants to add variety. Pricing must also be in agreement with the planned market share in order to improve product sales and market share. According to the findings of theoretical and practical study, price is the most influential factor in purchase decisions. As a result, sellers can retain current prices to keep customers faithful in making purchases. As a result, the researcher makes suggestions to other academics on how to improve the consumer loyalty variable.

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