Influence of Promotion, Product Quality and Customer Value Towards Consumer Purchase Decisions on Cosmetic Product

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Abstract
This study was conducted to determine the relationship between promotion, product quality, and customer value on purchasing decisions. The population in this study were users of skincare products from ZAP in Indonesia. Sampling using convenience sampling technique with a sample obtained as many as 125 respondents. Testing using partial least square analysis-structural equation modeling (PLS-SEM) with Smart PLS3 software. Promotion has 4 questionnaire items, product quality has 4 questionnaire items, consumer value has 9 questionnaire items, and purchase decisions have 4 questionnaire items. This study found that promotion has a positive effect on purchasing decisions (p values 0.000), customer value has a positive effect on customer decisions (p values 0.008), while product quality has no influence on purchasing decisions (p values 0.825). Based on the results obtained, it is concluded that promotion and customer value can be a reference for marketers to improve purchasing decisions, especially in ZAP Indonesia cosmetic products.

1. Introduction

Businesses continue to grow around the world, one example is the cosmetics business. Cosmetics are consumptive products for women because they can fulfill the need for beauty and cosmetics seem to be a primary need for many women. The use of cosmetic products has become an integral part of a woman's daily routine, from morning to night. Therefore, many companies innovate with various products and variations to fulfill the needs of cosmetics. The significant growth in the cosmetics market, both in Indonesia and globally, especially in the skincare category, reveals that competition in today's cosmetics industry, especially in skincare, is getting fierce. There are many companies, both large and small, local and international, competing in the Indonesian market. The high level of competition is a challenge for companies to continue to innovate in order to maintain their product position in the market and gain consumer confidence to choose the products they offer.

Juva by Zap is one of the retail skin care products that is part of the Zap Beauty Clinic. Zap Clinic has been established since 2009 which always tries to innovate by following developments in the beauty world both in terms of services, namely beauty treatments and goods, namely Juva products. Juva itself is a newcomer in the competition for skin care products that only appeared at the end of 2022 (https://zapclinic.com/profil-zap). To increase purchasing

decisions on Juva products is not an easy thing. Marketers must prioritize things that influence consumer purchasing decisions including promotions, customer value and product quality. Customer participation is also very important in this regard.

Kotler and Keller (2018) explain that promotion is a company's effort to inform, influence, and remind customers about the products it sells, either directly or indirectly. Product introduction to the market is generally carried out through promotional strategies. Apart from promotion, product quality also has a significant role in making purchasing decisions. Kotler and Keller (2018) reveal that product quality is the product's ability to provide performance according to or even exceed expectations.

Customer Value is also an important factor in purchasing decisions for products or services. Paputungan et al. (2022) explain that customer value is an emotional relationship that exists between customers and producers after customers use products or services from the company and feel that these products or services provide additional value. Customer value is the customer's preference and assessment of product performance attributes, other attributes, and the consequences obtained from using the product.

With this background, researchers want to explain several variables that influence purchasing decisions at ZAP on Juva skin care products, namely promotion, product quality, and customer value. This research has importance in providing guidance for developing businesses, especially in Juva Skincare.

2. Literature Review and Hypothesis

Kotler and Keller (2018) define promotion as a communication strategy used by businesses to enlighten, change consumers' attitudes, persuade, and alert them to the brands and products they carry. In order to raise public knowledge of the items produced, promotion plays a crucial function in exposing them to consumers. Kotler and Keller (2018) describe how a well-run offer might influence more people to make purchases. Remember, though, that the impact of promotions on buying decisions can differ based on a number of variables, such as the nature of the promotion, the product being sold, and the attributes of the client. In this case, this statement is in accordance with research conducted by Lamasi and Santoso (2022) that promotion can influence consumer purchasing decisions on cosmetic products. In addition, Suryani and Syafarudin (2021) prove that promotions delivered by marketers can influence customer purchasing decisions. Therefore, in order to ascertain whether promotions are suitable for the given circumstance, it is required to assess the impact of promotions on purchase decisions in the context of specific study.

H1: Promotion has a positive effect on purchase decisions

Kotler and Keller (2018) define product quality as the capacity of a product to function as anticipated or even better than anticipated by the user. It speaks to the degree to which the product can perform the tasks that customers want it to. In both traditional and online markets, products are essential to transactions (Feigen, 2012). A product's quality can be examined using dimensions and indicators that provide information about its attributes. Kotler and Keller (2016) define product quality as an item's capacity to meet or surpass the expectations of the user in terms of performance or outcomes. Other research also shows that customer value has a positive

and significant effect on purchasing decisions (Jeaheng et al., 2020). In fact, high customer value can reduce consumer risk perception and ultimately influence purchasing decisions (Damghanian et al., 2016). Thus, scholars can propose the second hypothesis as follows based on this understanding:

H2: Product quality has a positive effect on purchase decisions

Customer value, in the opinion of Paputungan et al. (2022), is a reflection of the sentimental connection that develops between consumers and suppliers following the use of the company's goods and services, wherein consumers perceive a higher value for these goods or services (Sweeney & Soutar, 2001). After consumers utilize a company's goods or services and believe they offer additional value, an emotional connection known as "customer value" develops between them and the manufacturer (Paputungan et al, 2022). Consumers' perceived values are a major factor in what motivates them to make purchases. The perception of value can be influenced by a number of factors, including the cost, the ease of access to information, the amenities provided, and safety considerations. Customers may be drawn to purchase the company's services based on this premise. Research conducted by Nasution et al (2022) states that customer value has an influence on purchase decisions. Utami et al (2022) also provide the same research results, namely customer value has a positive effect on purchase decisions. Based on this understanding, researchers can formulate the third hypothesis as follows:

H3: Customer value has a positive effect on purchase decisions

3. Method
3.1. Research Design
This research uses a quantitative approach as a research method. In this study, primary data was collected through filling out questionnaires by respondents. This study uses a cross sectional research design, research studys are only carried out for a specific amount of time. Sekaran (2003). The independent variables in this study are promotion, product quality, and consumer value. While the dependent variable is the purchase decision. This research uses Partial Least Square Analysis-Structural Equation Modeling analysis using Smart PLS software.

3.2. Population, Sample and Sampling Technique
The population in this study were all Zap Skincare customers with female and male gender. Furthermore, the number of samples is obtained using the "Hair Formula" because the number of customer populations is not known with certainty. The sample determination is calculated by multiplying the number of indicators by a number 5 - 10 (Hair, JR. et al., 2009). In this study, the sample size was 125 respondents, obtained by multiplying the number of indicators by 25 indicators by number 5 from the hair formula. The sampling technique used is convenience sampling. The questionnaire was distributed via google form online, then the data was processed using the Smart PLS software.

3.3. Variable Measurement

This study consists of 4 variables with a total of 25 question items. The promotion variable uses 4 question items developed by Kotler and Keller (2018). The product quality variable has 4 question items consisting of performance indicators, conformance to specifications, and perceived quality Kotler and Keller (2018). The customer value variable uses 9 question items developed by Furoudi (2019). The purchasing decision variable has 4 question items developed by Kotler and Keller (2018). This study uses a 5-point Likert scale measurement. Point 1 means strongly disagree, point 2 means disagree, point 3 means neutral, point 4 means agree, and point 5 means strongly agree.

4. Results

4.1. Descriptive Statistical Analysis

This research analysis used 125 answers from respondents. The gender of the respondents who filled out the questionnaire was all female. The domicile of most respondents who filled out the questionnaire was from Central Java. The most respondents' occupations were entrepreneurs as many as 41, housewives as many as 27 respondents, civil servants as many as 22, BUMN as many as 23 respondents, and the rest were students as many as 12 respondents. Based on income, it is divided into 3 levels, namely more than Rp 10,000,000 as many as 27 respondents, income between Rp 5,000,000 to Rp 10,000,000 as many as 73 respondents, and the last income below Rp 5,000,000, namely 25 respondents.

4.2. Partial Least Square Analysis-Structural Equation Modeling

If a reflexive measure correlates with the measured construct by more than 0.70, it is considered high. However, a loading value of 0.5 to 0.6 is seen to be enough for early stage research from the construction of a measurement scale, according to Chin (1998) in Ghozali (2019). A loading factor limit of 0.50 will be applied in this investigation. The processing results using SmartPLS, the outer model value or the correlation between constructs and variables initially met convergent validity because all indicators had a loading factor value above 0.50.

The validity and reliability criteria can also be seen from the reliability value of a construct and the Average Variance Extracted (AVE) value of each construct. The construct is said to have high reliability if the value is 0.70 and the AVE is above 0.50. The following table displays the test results' values :

Table1. Internal Consistency Reliability and Convergent Validity Test Results

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Consumer value	0,902	0,903	0,920	0,562
Product quality	0,803	0,807	0,872	0,630
Promotion	0,789	0,789	0,863	0,612
Purchase decision	0,782	0,782	0,859	0,605

Source: Data processed using Smart PLS

Based on Table 1, it can be concluded that all constructs meet the reliability criteria. This is indicated by the value of Cronbach's Alpha, rho_A, Composite Reliability above 0.60 and AVE above 0.50 as recommended criteria.

Discriminant validity is carried out to ensure that each concept of each latent variable is different from other variables. The model has good discriminant validity if each loading value of each indicator of a latent variable has the largest loading value with other loading values on other latent variables. The research variable constructs have met discriminant validity, according to the results of the cross loading test.

4.3. Inner Model Analysis Results

Correlation study of constructs or variables is done using inner model analysis. The study's structural model is depicted in the figure below.
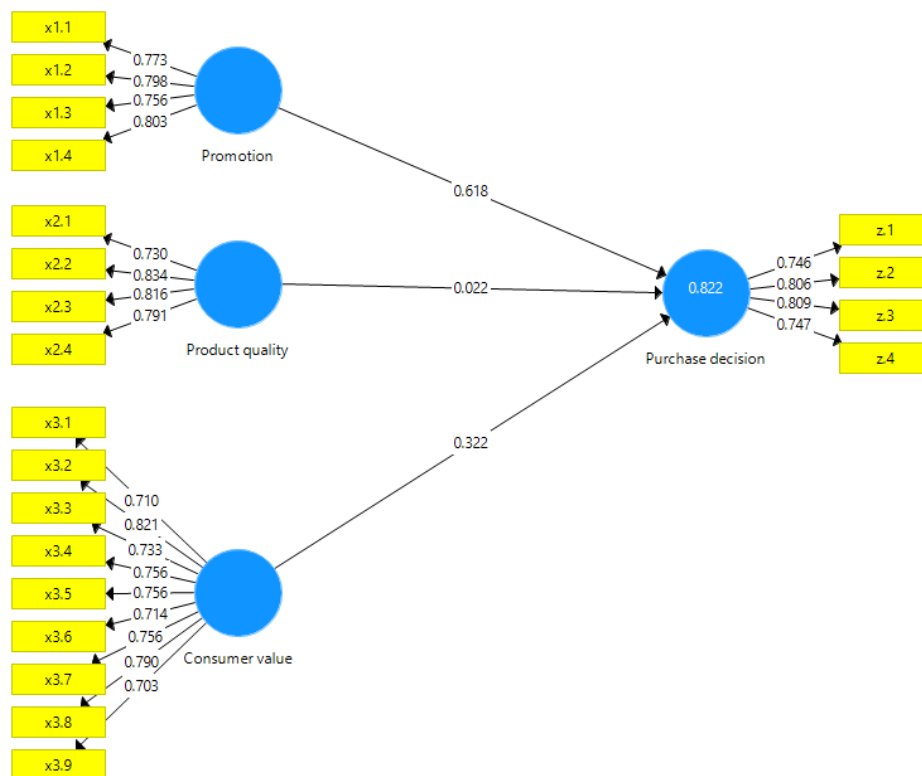

Figure1. Structural Model

Testing the inner model or structural model is carried out to see the relationship between constructs, the significance value and R-square of the research model. The structural model is evaluated using the R-square for the dependent construct t-test as well as the significance of the structural path parameter coefficients. In assessing the model with PLS, it starts by looking at the R-square for each dependent latent variable. The following are the results of the R-square estimation using Smart PLS.

Table 2. R-Square Value

	R Square	R Square Adjusted
Keputusan Pembelian (Y)	0.822	0.818

Source: Data processed using Smart PLS

Table 2 shows that the R-square value for the Purchase Decision variable is obtained at 0.822. These results indicate that 82% of the Purchasing Decision variable (Y) is influenced by Promotion (X1), Product Quality (X2), Customer Value (X3) simultaneously.

4.4. Hypothesis Test

The significance of the estimated parameters provides very useful information about the relationship between the research variables. The basis used in testing the hypothesis is the value contained in the output result for inner weight which can be seen in the following figure and table:

Table 3. Direct Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Promotion -> Purchase decision	0,618	0,617	0,078	7,928	0,000
Product quality -> Purchase decision	0,022	0,020	0,099	0,221	0,825
Consumer value -> Purchase decision	0,322	0,324	0,120	2,682	0,008

Source: Data processed using SmartPLS

The findings of the hypothesis analysis test are displayed in Table 3. If the P value is less than 0.05, the association between the variables might be deemed significant and relevant. As can be seen from the above table, hypothesis 1 is supported due to its positive effect and P value of 0.000 (<0.05), which is based on the original sample value of 0.618. Because Hypothesis 2 has a positive original sample value (0.022) and a P value of 0.825 (>0.05), it is not accepted. With a P value of 0.008, which is less than 0.05, and an initial sample value of 0.322, hypothesis 3 is accepted.

5. Discussion

Kotler and Keller (2018) explain that purchasing decisions are the result of a process that involves a number of stages. In the context of purchasing, various roles or functions can be identified, as described by Prilano et al. (2020). Each role has an important contribution to the buying process. By understanding these roles and functions, marketers can design more appropriate strategies in recognizing and meeting the needs and preferences of each part involved in the buying process.

The results of this study indicate that promotion has a significant positive influence on purchasing decisions. The results of this study are in accordance with research conducted by Made et al (2015) which states that promotion has an effect on purchasing decisions. Not only Made et al (2015), Prilano et al (2020) also got results showing that promotion has a significant effect on purchasing decisions. In this study, hypothesis 2 which reads that product quality has an effect on purchasing decisions is rejected. This is not in line with research conducted by Liao and Wang (2009) which shows that customer value has a positive influence on purchasing decisions. When conducting interviews, product quality is not the main point of customers in making purchasing decisions. Because customers prioritize the price of the product. In addition, they are also more influenced by recommendations from other people, especially close friends and family. This is the main reason why product quality has no effect on purchasing decisions. Finally, hypothesis 3 is accepted because the results of this study show the results that customer value has a positive effect on purchasing decisions. This result is supported by research by Paputungan et al (2022) which explains that customer value is able to influence customer purchasing decisions.

6. Conclusion

This study discusses the effect of promotion, product quality, and customer value on purchasing decisions. This study found that promotions and customer value can influence customer purchasing decisions. This can happen because in the promotional material there is an invitation to use and buy the product. Meanwhile, product quality has no effect on purchasing decisions. Because for customers the quality of the product does not have the effect of wanting to buy. These results can provide conclusions to marketers that when wanting to increase purchasing decisions, marketers can do more promotion and increase customer value.

7. Research Limitations and Suggestions

While there are still numerous skincare brands available in Indonesia, this research is restricted to ZAP skincare users. It is highly advised that future research be undertaken with a wider scope, such as users of skincare products other than ZAP, in order for the research findings to serve as a guide for those in need of this knowledge and as a reference for future research. Some recommendations that could be made are: a. keeping an eye out for good promotions in various media, particularly online media by working with beauty influencers; b. enhancing the quality of products so that customers are satisfied and eventually become devoted customers; and c. boosting customer value through offline and online events, as this measure represents the emotional connection that develops between consumers and producers following the use of goods and services from the company.

Acknowledgments

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