Analysis of Product Variety and Price on Purchase Decisions

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Abstract: The Literature Review Review of Product and Price Variation Analysis on Purchase Decisions is a scientific article that aims to build a research hypothesis on the influence between variables that will be used in further research, within the scope of Marketing Management. The method of writing this Literature Review article is the library research method, which is sourced from online media such as Google Scholar, Mendeley and other academic online media. The results of this Literature Review article are that: 1) Product variations have an effect on Purchase Decisions; and 2) Price has an effect on Purchase Decision. Apart from these 2 exogenous variables that affect the endogenous variables of Purchase Decisions, there are still many other factors including the variables of Place, Product Quality and Service Quality.

Keywords: Product variety, Price, Purchase Decisions

INTRODUCTION

In today's modern era a lot of buying activities or transactions between sellers and buyers are carried out online. Of course, when buying online is different from purchases made directly or offline. When shopping offline, of course, there are many factors that influence consumer purchasing decisions. In contrast to online shopping, consumers tend to be quick in making purchasing decisions and immediately make payments for the goods or products they buy.

Based on the above background, the researchers determined the formulation of the problem as follows:
1. Does Product Variety affect to Purchase Decisions ?
2. Does Price affect to Purchase Decisions ?

LITERATURE REVIEW

Purchase Decisions

Purchase Decision is a decision on a buyer that can be influenced by financial conditions, technology, politics, price, location and also the promotions carried out. So that it forms an attitude in consumers to process all information and make decisions in the form of
responses that appear what products to buy (Buchari, 2016). Several indicators in the Purchase Decision are as follows (Kotler & Armstrong, 2016):

a. Product choice, where consumers can make decisions to buy goods or services for certain purposes.
b. Brand choice, where consumers can make decisions about what brand to buy and use.
c. Dealer choice, where consumers can make decisions about which coatings to visit.
d. Time of Purchase, where consumers can make purchasing decisions regarding the time of purchase to be made.
e. Number of Purchases, where consumers can make purchasing decisions regarding the number of goods or products to be purchased.
f. Payment Method, where the consumer can make a decision regarding the payment method to be made, according to the condition of the buyer.

Purchasing decisions have been studied by previous researchers, including: (Ikhsani & Ali, 2017b), (Saputra & Mahaputra, 2022a), (Maharani & Saputra, 2021), (Agussalim et al., 2016), (Assagaf & Ali, 2017), (Mansur & Ali, 2017), (Mulyani et al., 2020), (Mahaputra & Saputra, 2021c), (Darwisyah et al., 2021), (Ali, Sastrodiharjo, et al., 2022), (Agussalim et al., 2016), (Sivaram et al., 2020), (M & Ali, 2017), (Sivaram et al., 2019), (Octavia & Ali, 2017).

Product Variety

A product variety is a separate unit within a brand or product line that can be distinguished by size, price, appearance or some other characteristic (Kotler & Armstrong, 2013). Product variety is not new in the world of marketing, where this strategy is widely used by marketing practitioners in their product launch activities (Kotler, 2009). Product variations are products that have different designs or types and are produced by the company (Mikell, 2010). Product variation indicators include: 1) Size; 2) Price; 3) Display; and 4) Product Availability (Kotler & Keller, 2008).

Product Variety has been researched by previous researchers, namely: (F. Saputra & Ali, 2022), (Sudiantini & Saputra, 2022), (Yassir Arafat et al., 2020), (Fardinal et al., 2022), (Octavia et al., 2020), (Hardiansyah et al., 2019), (Rony et al., 2020), (Eprianto et al., 2021).

Price

Price is a number of costs that buyers need to pay for goods or services used or purchased by consumers (Kotler & Keller, 2016). Price is a form of consumer assessment of what the seller offers then compared to other parties who offer more reasonable prices (Lee & Lawson, 2011). Price is a form of representation from a buyer regarding the price object of a product (Chang & Wildt, 2012). Price indicators include: 1) Price Affordability; 2) Price Comparison with Competitors; 3) Price Match with Quality; 4) Price Match with Benefits; 5) Prices According to Consumer Predictions; 6) Fixed Price Period; 7) Price Fairness; and 8) Price Match with Brand Image (Kotler & Armstrong, 2012).

Price has been widely studied by previous researchers including: (Setiyaningrum, 2019), (Saputra & Mahaputra, 2022b), (Mukhtar, M., Ali, H., & Jannah, 2016), (Arista & Astuti, 2011), (Octavia et al., 2020), (Sulistyanto et al., 2022), (Sudiantini et al., 2019).

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<tr>
<th>No</th>
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<tr>
<td>1</td>
<td>(F. Saputra &amp; Mahaputra, 2022)</td>
<td>Relationship of Purchase Interest, Price and Purchase Decisions to IMEI Policy</td>
<td>Discussing about Purchase Decisions and Price</td>
<td>There are difference variables in Purchase Interest and IMEI Policy</td>
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Table 1. Relevant previous research
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<td>3</td>
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<td>5</td>
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<td>6</td>
<td>(Yanti &amp; Darwanto, 2021)</td>
<td>Analysis of the Effect of Halal Labeling and Digital Selling on Interest in Buying Halal Cosmetics</td>
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<td>8</td>
<td>(Winarsih et al., 2022)</td>
<td>The Influence of Price Perception, Food Quality, and Store Atmosphere on Consumer Purchase Decisions at Dabu - Dabu Lemong Resto and Coffee Megamas Area in Manado</td>
<td>Discussing about Price and Purchase Decisions</td>
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### RESEARCH METHODS

In this study, researchers used descriptive qualitative methods and library research. By reviewing previous articles that are relevant to this research. Data collection in this study was through the Google Scholar application by searching for previous scientific articles related to this variable. In this study, theoretical studies must be used consistently and based on methodological assumptions. In the sense that it must be applied inductively so that it does not raise questions that will be asked to the researcher. Researchers conduct qualitative research, namely because of its exploratory nature (Ali, H., & Limakrisna, 2013).

### FINDINGS AND DISCUSSION

1. **The Effect of Product Variety on Purchase Decisions**

   If product variations can be applied and implemented properly according to the indicators, namely: 1) Size; 2) Prices; 3) Displays; and 4) Product Availability, then it will affect the purchase decision. This means that with a variety of products offered, consumers can have many options or choices in buying these products. This will make it easier for consumers to do what they need. In addition, the variety of products shows the seriousness of the seller in offering goods or products to consumers.

   Product Variety affected to Purchase Decisions, this is in line with research conducted by: (Darwisyah et al., 2021), (Mulyani et al., 2020), (Sivaram et al., 2020), (Agussalim et al.,
2. The Effect of Price on Purchase Decisions.

If the Price can be applied according to the indicators, namely: 1) Price Affordability; 2) Price Comparison with Competitors; 3) Price Match with Quality; 4) Price Match with Benefits; 5) Prices According to Consumer Predictions; 6) Fixed Price Period; 7) Price Fairness; and 8) Price Match with Brand Image, then the price will affect the Purchase Decision. Consumers have a perception or expectation that the price offered will be cheap because when viewed from the place and existence that has just been opened. If the seller gives a high price, it will certainly be far from consumer expectations and certainly affect consumer purchasing decisions.

Price affected to Purchase Decisions, this is in line with research conducted by: (Mahaputra & Saputra, 2021a), (Yassir Araffat et al., 2020), (Fardinal et al., 2022), (Haitao & Ali, 2022), (Gusfa et al., 2017), (Faisal et al., 2021), (Ali et al., 2020), (Thanh Nguyen et al., 2019), (Gusfa et al., 2017), (Subronto et al., 2021), (Pitri et al., 2022).

Conceptual Framework

Based on theoretical studies and discussions that have been discussed by researchers, the conceptual framework is determined as follows:

![Figure 1. Conceptual Framework](image)

Based on the relevant theoretical studies and the above discussion, then: Analysis Product Variety and Price on Purchase Decisions. Apart from the above variables affected to Purchase Decisions, there are other variables that affects, namely:


5) Necessary: (F. Saputra, 2022a), (Darwisyah et al., 2021), (Mulyani et al., 2020), (Sivaram et al., 2020), (Agussalim et al., 2016), (Silvaram et al., 2019), (Somad et al., 2021), (Ridwan et al., 2020a), (Ridwan et al., 2020b), (Rahmayani & Nofrialdi, 2022).

CONCLUSION AND RECOMMENDATION

Conclusion

Based on the discussion above, the researchers determined the following conclusions:

1. Product Variety is affected to Purchase Decisions.
2. Price is affected to Purchase Decisions.

Recommendation

Based on the conclusions above, there are other factors that affect Purchase Decisions, namely: Product quality, Place, Service Quality, Brand Image and Necessary.

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