

# Product Attributes and Price of iPhone X in Determining the Consumer Purchase Decision (Study on Consumer iBOX BEC Bandung)

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## Abstract

*This research aims to describe the effect of product attributes and price on consumer decisions in buying iPhone X products at iBox BEC Bandung. The research method used is the verification method with sampling techniques, namely probability sampling with simple random. The research sample used was 115 respondents who bought iPhone X products at iBox BEC Bandung. The instruments used in this study were questionnaire sheets, observation sheets, and iBox consumer interview sheets at BEC Bandung. The research data were analyzed using descriptive qualitative and quantitative statistics. The results showed that: (1) the product attribute was 61.89% in good category and got a positive response; (2) affordability of product prices is 76.62% which indicates that the majority of consumers feel that the price of the product is quite affordable; (3) consumer purchasing decisions for iPhone X products amounted to 62.32% in a good category; (4) product attributes affect purchasing decisions by 46.8%, thus indicating that there is a positive reciprocal relationship between the two variables at moderate level; (5) price affects purchasing decisions, with a level of 41.7%, thus indicating that there is a positive reciprocal relationship between the two variables; (6) the product attribute affects the price, with a level of 70.3%, thus indicating that there is a positive reciprocal relationship between the two variables.*

**Keywords:** Product Attributes; Price; iPhone X; Purchasing Decision.

## I. INTRODUCTION

The communication technology revolution with various innovations that are developing very rapidly can support human activities. Advances in communication technology that have many benefits to people's lives can lead to market competition. With various types, shapes, and products, technological advances can help facilitate human activities. One of the results of technological developments is the cellular telephone. Currently, cellular communication tools are no longer a luxury item and are owned by almost all levels of society in Indonesia, even outside Indonesia.

Cellular communication tools consist of various types and brands with various product variations, so that it can cause perceptions that cause consumers to hesitate in choosing the product to buy because there are too many choices. Collecting information about the desired product features is very important to apply when buying or choosing a desired product. From the various information obtained by consumers, they select alternatives that are in the minds of consumers, so that one of the products is chosen to be purchased or not, after making the consumer's decision, it will take an evaluation action on the product purchase decision.

A cell phone product with the iPhone X series brand, has quite sophisticated supporting technology. iPhone is a line of smartphones designed and marketed by Apple Inc. The iPhone used Apple's iOS mobile phone operating system known as "iPhone OS" until mid-2010, shortly after the launch of the iPad. The iPhone is the largest cellular telephone company with growing technology, especially supported by features that are easy for consumers to understand. The availability of various kinds of cellular telephone products offered is increasingly in demand by the public. With the many choices offered by marketers, it triggers a competition between market holder brands, causing many perceptions accepted by consumers to make purchases on a particular product.

The attributes of a product have a very important role. Product attributes are elements that are considered important in a product, which can convey the benefits of the product and can be used as a basis for consumers in making purchasing decisions. Decisions about product attributes can affect consumer reactions to a product, especially during decision making. In this attribute, there are components that are part of the attribute with several benefits.

Before conducting the research, the authors made observations on BEC Bandung consumers regarding the iPhone X product. From the results of the observations made by the author to iBox BEC consumers, the authors concluded that consumer assessment of this iPhone X product decreased from before, this is because it is like a front camera that has not equipped with an LED flash, a small battery capacity for a flagship smartphone, specifications that are almost the same as the iPhone 8 (previous series), and the price is quite expensive.

The explanation above turns out that there are still deficiencies that will affect a product attribute on purchasing decisions. Given the consumer behavior towards cellular phone products today, they tend to want to have one product that supports all activities with high mobility. Therefore, the perfection of product attributes that suit the needs of consumers is very important to maintain the existence of a product itself or the company as a producer.

When viewed from product performance, product features, product design, product brand, and product price. The Samsung Galaxy S10 is still superior to the iPhone X. However, when viewed from the sales data, the iPhone X is still superior to the Samsung Galaxy S10. Below will be presented global sales data for Iphone X and Samsung Galaxy S10 in 2017 and 2018, namely as follows:

**Table 1. Data on Sales of iPhone X in Indonesia**

No.	Component	Year 2017 (unit)	Year 2018 (unit)
1	iPhone X	78.3 million	77.3 million
2	Samsung Galaxy S10	77.5 million	74.1 million
Total		134,963.6	153,821.5

Table 1 shows that sales of the Iphone X and Samsung Galaxy S10 have decreased from 2017 to 2018. However, the sales of Iphone X are still on top of the Samsung Galaxy S10. Even though when viewed from the comparison of product quality and price of the two products, the Samsung Galaxy S10 is still superior to the iPhone X. This statement is supported by the opinion of Apple CEO Tim Cook, who claims that the iPhone X has been the best-selling cellphone since its launch in November 2017 and has dominated 3.5% of sales worldwide (Rahman, 2018; Wibowo, 2018). According to the CEO of Apple, the iPhone X has become one of the smartphone products that provide the highest revenue in the company's history. To date, 77.3 million iPhones have been sold and the selling price has increased from 695 USD to 798 USD (Rahman, 2018).

Based on the results of the pre-survey by distributing questionnaires to 30 respondents who came to iBox BEC Bandung, the following data were obtained:

**Table 2. Pre-Survey Questionnaire Results**

No.	Questions	Yes	No
1	Are the product attributes of the iPhone X better than the Samsung Galaxy S10?	30	17
2	Is the iPhone X more expensive than the Samsung Galaxy S10?	21	9
3	Did you buy your iPhone X on iBox?	30	0

Table 2 of the results of the questionnaire above, shows that the majority of consumers think that the product attributes of the Samsung Galaxy S10 are superior to those of the iPhone X. Respondents also mentioned that the price of the iPhone X is much more expensive than the Samsung Galaxy S10. But what is unique is that respondents still buy the iPhone X at the iBox BEC Bandung outlet. This leads to a gap between product attributes and price on iPhone X product purchase decisions.

Based on the explanation above, product attributes and prices are very important factors in purchasing decisions. Consent tends to make an assessment of product attributes and price of a product as a basis for consideration in making purchasing decisions for a product. Based on the above phenomena, the researcher wants to see the extent to which product and price attributes can influence consumer purchasing decisions for iPhone X products at iBox BEC Bandung.

Based on the above background, the formulation of the problem is obtained as follows:

1. How do consumers respond to the attributes of iPhone X products at iBox BEC Bandung.
2. How do consumers respond to the price of iPhone X products at iBox BEC Bandung.
3. How are consumer purchasing decisions for iPhone X products at iBox BEC Bandung.
4. How big is the influence of product attributes on consumer purchasing decisions for iPhone X products at iBox BEC Bandung.
5. How much influence does price have on consumer purchasing decisions for iPhone X products at iBox BEC Bandung.
6. How much influence is the product attribute and price on consumer purchasing decisions for iPhone X products at iBox BEC Bandung.

## II. THEORY

### Review Product Attributes The

product is the focal point of marketing activities because the product is the result of a company activity that can be offered to the market for purchase, use or consumption for the purpose of satisfying the needs and desires of consumers. Products are anything that can be offered to the market for attention, acquisition, use or consumption that can satisfy wants or needs (Kotler and Amstrong, 2016: 248).

According to Kotler and Armstrong (2016: 253) the attribute dimensions that accompany and complement the product (product attribute characteristics) consist of product quality, product features, product style and design. Then, Tjiptono (2014: 104) states that the attribute dimensions include brand, packaging / packaging, labels, services, and guarantees (warranty). Based on these attribute dimensions, researchers took three dimensions to measure product attributes based on dimensions from Kotler and Armstrong (2016: 253) including product quality, product features, and product style and design.

### Price

According to Alma (2014: 169), price is the value of an item expressed in the form of money. Then, Kotler and Keller (2016: 47) state that price is the amount of value that consumers

exchange for the benefit of owning or using a product or service whose value is determined by buyers and sellers through bargaining, or set by the seller for one price that is the same for all buyer. There are five main objectives in pricing, namely survival, maximum current profit, maximum market share, maximum market skimming, product- quality leadership) and other objectives. (Kotler and Keller, 2016: 491).

According to Kotler and Armstrong (2016: 452), the price dimension consists of price affordability, price compatibility with product quality, price compatibility with benefits, and price according to ability or price competitiveness. Then, Mursid (2014: 83) states that the price dimension includes competitive prices, namely the price offered is more competitive than competitors, price suitability with market prices, namely price suitability with market prices, price compatibility with product quality, namely the price offered in accordance with product quality, installments, namely payments that can be paid in installments up to a certain time. Based on this statement, the researchers took three dimensions to measure product attributes based on dimensions from Kotler and Armstrong (2016: 452) and Mursid (2014: 83) including price affordability, price compatibility with product quality, and price compatibility with market prices.

### **Purchasing Decision**

Suharno (2015: 96) states that a purchase decision is a stage where the buyer has made his choice and made a purchase of a product, and consumed it. Factors that influence consumer purchasing decisions are cultural factors (culture, sub-culture, social class), social factors (reference group, family, role and status), personal factors (age and life cycle stage, workers, economic conditions), lifestyle, personality and self-concept), and psychological factors (motivation, perception, learning, beliefs and attitudes) (Kotler and Keller (2016: 187).

According to Kotler and Keller (2016: 195), the implications of purchasing decisions include problem recognition, information search, evaluation of alternatives, purchase decisions, post purchase behavior.). Meanwhile, Hsu and Chang in Goseldia (2012: 4) suggest that the dimensions of purchasing decisions include the desire to use the product, the desire to buy a product, prioritize the purchase of a product, the willingness to sacrifice (time, effort and cost) to get a product. Based on this statement, researchers took three dimensions to measure product attributes based on dimensions from Kotler and Keller (2016: 195) including recognition of needs (problem recognition), information retrieval (information). search), and evaluation of alternatives.

### **III. METHODS**

The research method used in this study is the verification research method. The verification research method is used to examine the relationship of product attributes and prices to consumer purchasing decisions for iPhone X products in iBox BEC (Nazir, 2013: 91). In this study, there are three variables, namely:

1. The independent variable (X1) in this study is the product attribute, which consists of the dimensions of product quality, product features, and product style and design.
2. The independent variable (X2) in this study is price which consists of dimensions including price affordability, price compatibility with product or service quality, and price suitability with market prices.
3. The dependent variable (Y) in this study is a purchase decision which consists of dimensions including problem recognition, information search and purchase decision. The sampling technique is probability sampling with the method. simple random sampling (Sugiyono, 2017: 82) The research sample used was 115 respondents who bought iPhone X products at iBox BEC Bandung. The instruments used in this study were questionnaire

sheets, observation sheets, and iBox consumer interview sheets at BEC Bandung. This was obtained from distributing questionnaires to iBox consumers at BEC Bandung. The data of this study were analyzed using qualitative and quantitative descriptive statistics (with the help of the LISREL 8.80 program)

#### **IV. RESULTS AND DISCUSSION**

##### **Descriptive Analysis of iPhone X Product Attributes at iBox Bandung**

To find out consumer responses regarding product attributes, prices and purchase decisions on the iPhone X at iBox BEC Bandung, the researchers gave questions, each consisting of 9 questions which are presented in Table 1:

**Table 1 Recapitulation of iPhone X product attributes in iBox BEC Bandung**

Question	Score	%	Category
How high is the quality of the iPhone X product from the possibility of damage	377	65.57%	Quality
How high the reliability of iPhone X products can operate properly	338	58.78%	Reliable
How easy is the iPhone product X for use and repair	340	59.13%	Easy
How superior is the camera feature of the iPhone X in terms of brightness and clarity of photos	342	59.48%	Excellent
How good is the quality of the video call feature using facetime on the iPhone X	376	65.39%	Good
How high is the level of reliability of the iPhone X from access unwanted	375	65.22%	Safe
How bruising is display of products owned by iPhone X	340	59.13%	Attractive
How unique is the product design of the iPhone X	338	58.13%	Unique
How clear is the vision coverage on the full screen iPhone X	377	58.78%	Clear
<b>Average</b>	3203	61.89%	Good

Table 1 shows that iPhone X product attributes in iBox BEC Bandung are in the good category, where the majority of consumers have given positive answers in answering questions about the attributes of iPhone X products at iBox BEC Bandung. With regards to product quality, the majority of consumers think the quality of the iPhone X product is of sufficient quality, the operation of the iPhone X product is reliable, and the iPhone X product is easy to use and repair. With regard to product features, the majority of consumers think the camera features of the iPhone X in terms of photo brightness and clarity are quite superior, the quality of the video call feature using facetime on the iPhone X is good, and the level of reliability of the iPhone X from unwanted access is already quite safe. With regards to product style and design (product style and design), the majority of consumers think that the appearance of the iPhone X's products is attractive, the product design of the iPhone X is unique, and the vision coverage on the full screen iPhone X screen is quite clear.

##### **Descriptive Analysis of iPhone X Product Prices on iBox Bandung**

**Table 2 Price Recapitulation on iPhone X at iBox BEC Bandung**

Question	Score	%	Category
How affordable is the iPhone X price for all consumers	307	53.39%	Affordable

How affordable is the price of iPhone X compared to similar smartphones	333	57.91%	Affordable
How affordable Price of iPhone X when viewed from the amount of memory capacity	339	58.96%	Affordable
How high is the level of compatibility of the price of the iPhone X with the quality of its product	375	65.22%	According to
how high is the level of compatibility with the features of the iPhone X	340	59.13%	According to
how high is the level of price compatibility with security iPhone X products	379	65.91%	According to
how high the iPhone X price match with similar smartphone prices in the market	333	57.91%	According to
how high is the iPhone X price suitability level in some iBox	375	65.22%	According to
how high is the iPhone X price match with the consumer's purchasing power or ability	379	65.91%	In accordance
<b>Average</b>	440.6	76.62%	Affordable

Based on Table 2 shows that the price of iPhone X products at iBox BEC Bandung is quite affordable, where the majority of consumers have given positive answers in answering questions about the price of iPhone X products on iBox BEC Bandung. With regard to affordability, the majority of consumers think the price of the iPhone X is affordable for some consumers, the price of the iPhone X compared to similar smartphones is quite affordable and not far off, and the price of the iPhone X when viewed from the size of the memory capacity is quite varied and affordable. With regard to price compatibility with product quality, the majority of consumers think the price of the iPhone X with product quality is appropriate, the price with the features of the iPhone X is appropriate, and the price with the security level of the iPhone X product is appropriate. With regard to price compatibility with market prices, the majority of consumers think that the price of the iPhone X with the price of a similar smartphone in the market is not much proportional, the price of the iPhone X on some iBoxes is appropriate and does not compare much, and the price of the iPhone X with the ability or purchasing power for some consumers is already corresponding.

### **Descriptive Analysis of Purchasing Decisions on iPhone X at iBox BEC Bandung**

**Table 3** Recapitulation of Purchasing Decisions on iPhone X at iBox BEC Bandung

<b>Question</b>	<b>Score</b>	<b>%</b>	<b>Category</b>
How much is the iPhone X product suitable for your needs in following the style / trend	376	65.39%	According to
how much it fits iPhone products X to support your work	375	65.22%	According to
how much iPhone X products fit for information technology needs reliable	375	65.22%	According to
how often do you search for information about iPhone X product specifications	347	60.35%	Along with
how often do you search for information about iPhone product prices X	345	60.00%	Along with
how often do you search for information	345	60.00% product.	Along with how

about the advantages and disadvantages of the iPhone X			
How high is your level evaluating the comparison of iPhone X products with other smartphones	376	65.39%	Along with
how high are you evaluating the price comparison of products iPhone X in several places	341	59.30%	Along with
how high is your level evaluating the comparison of product suitability iPhone X with consumer needs	345	60.00%	Along
<b>average</b>	358.3	62.32%	Good

Based on Table 3 consumer purchasing decisions for iPhone X products on iBox BEC Bandung is in the good category, where the majority of consumers have given positive answers in answering questions about the iPhone X purchase decision at iBox BEC Bandung. Regarding problem recognition, the majority of consumers think that the iPhone X product is suitable to meet the needs of following styles / trends, the iPhone X product is suitable to support your work, and the iPhone X product is suitable for information technology needs. With regard to information searches, the majority of consumers think that they often search for information about iPhone X product specifications, regarding the price of iPhone X products, and regarding the advantages and disadvantages of iPhone X products. With regard to evaluation of alternatives, the majority of consumers think that often evaluate the comparison of iPhone X products with other smartphones, evaluate the comparison of the selling price of iPhone X products in several places, and evaluate the comparison of the suitability of iPhone X products with consumer needs.

**Verification Analysis of the Effect of Product Attributes and Prices on Purchasing Decisions of iPhone X in iBox BEC Bandung**

**Table 4. Correlation Matrix of**

<b>Variable</b>	<b>Product Attributes</b>	<b>Quality of Services</b>	<b>Customer Loyalty Product</b>
attributes	1,000		
Prices	0.703	1,000	
Purchasing decisions	0.468	0.417	1,000

In Table 4, it can be seen that product attributes and purchase decisions amounted to 0.468. This contribution is classified as moderate because it is in the interval 0.40 - 0.599 (Sugiyono, 2017: 250). This shows that the reciprocal relationship between the two variables reaches the level of 46.8% or in other words, the level of relationship between the two variables is positive and moderate.

**Table 5. Hypothesis Path Analysis**

<b>1. Testing Simultaneous Test</b>				
<b>Hypothesis</b>	<b>F<sub>count</sub></b>	<b>F<sub>table</sub></b>	<b>Results</b>	<b>Statistical conclusions</b>
Product attributes and prices have an effect on	7.48	3.08	Significant	H <sub>0</sub> rejected Product attributes and prices

purchasing decisions				have an effect on purchasing decisions
<b>2. Partial Test</b>				
<b>Hypothesis</b>	<b>t<sub>count</sub></b>	<b>t<sub>table</sub></b>	<b>Results</b>	<b>Statistical conclusion</b>
Product attributes affect purchasing decisions	4.21	1.981	Significant	H <sub>0</sub> rejected Product attributes affect purchasing decisions
Price affects purchase decisions	3.77	1.981	Significant	H <sub>0</sub> Rejected Price has an effect on purchasing decisions

Based on Table 5, it can be seen that simultaneously and partially the product attributes and prices have an effect on purchasing decisions. In the simultaneous test and partial test, it can be seen that H<sub>0</sub> is rejected which can be seen from the simultaneous test  $F_{count} > F_{table}$  and partial test with  $t_{count} > t_{table}$ .

## V. CONCLUSION

Based on the results of the discussion, the following conclusions can be drawn:

1. Overall the attributes of iPhone X products in iBox BEC Bandung are in good category. However, the results of the recapitulation of respondents' answers also still show that there are several questions about product attributes that have a score below the average score for the whole question.
2. Overall, the price of iPhone X products at iBox BEC Bandung is quite affordable. However, the results of the recapitulation of the respondents' answers also still show that there are several questions about the price that have a score below the average score for the whole question.
3. Overall, consumer purchasing decisions for iPhone X products at iBox BEC Bandung have been good. However, the results of the recapitulation of the respondents' answers also still show that there are several questions about purchasing decisions that have a score below the average score for the whole question.
4. Product attributes affect consumer purchasing decisions for iPhone X products at iBox BEC Bandung. The magnitude of the influence of product attributes in contributing to the influence of consumer purchasing decisions for iPhone X products at iBox BEC Bandung is 16.8%.
5. Price affects consumer purchasing decisions for iPhone X products at iBox BEC Bandung. The magnitude of the effect of price in contributing to the influence of consumer purchasing decisions for iPhone X products at iBox BEC Bandung is 14.4%.
6. Product attributes and prices influence consumer purchasing decisions for iPhone X products at iBox BEC Bandung. The magnitude of the influence of product attributes and price in contributing to the influence of consumer purchasing decisions for iPhone X products at iBox BEC Bandung is 31.2%.

## Suggestions

Based on the results of the discussion summarized in the conclusions, the following suggestions are proposed:

1. Improve product attributes by increasing product performance through increasing RAM memory, increasing the completeness of attractive and sophisticated features, and making attractive product designs.

2. Making the price of the iPhone more affordable in accordance with the market price of similar smartphones in general. It is intended that the iPhone can reach all consumers.
3. Improve consumer purchasing decisions by enhancing the product attributes of the iPhone and selling at a price that is affordable for all.

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