

**EFFECT
OF SERVICE QUALITY AND PRICE ON BUYING DECISION
(Study of LBC Skin Care Bandung)**

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Abstract

The purpose of this study was to analyze the effect of service quality and price on purchasing decision (case study at LBC Skin Care Clinic). The number of samples in this study were 96 respondents and using the method of non probability sampling. This research uses multiple linear regression test method. The results of this study indicate that there is simultaneous influence on

service quality and price variables to purchase decision, seen from a significant value below 0.05 and $F_{count} > F_{table}$ value. The result of this research also shows that the value of t_{count} in service quality variable and price is bigger than t_{table} , it can be stated that both variables have an influence on purchasing decision variable. In determination test there is influence of 39.1% from independent variable. Meanwhile, as much as 60.9% influenced by other variables.

Keywords : Quality of Service, price, purchase decision

1

Introduction

Health is a condition of living things that can carry out productive activities with a healthy physical condition from body, soul, and social health. Human health is generally divided into two parts, including health in body parts, where the type of body health can be assessed. from a person's physical condition, for example, there is no disability or injury. Mental or mental health can be assessed from a person's mental or mental state. Mental health is

1

related to problems of stress and problems that involve the mind, which can be seen from the outside to look dull.

Each individual is able to get physical health, be able to exercise regularly, be able to maintain a diet, and be able to maintain mental health. Besides that, you can also do body care, one of which is facial care. The face is one of the most important parts of the body, which is the main asset for everyone in terms of appearance. So there are many ways to do facial care to get white and clean skin. The skin's protective function occurs through a number of biological mechanisms, such as the continuous formation of the horny layer (keratinization and release of dead cells), respiration and body temperature regulation, and the formation of pigments to protect the skin from the dangers of ultraviolet rays from the sun. Therefore, it is very important to pay attention to skin health by regularly consulting skin health conditions. Doing skin health care is not easy to do alone, therefore to get the best results requires support from experienced experts.

Nowadays, the need to beautify themselves, both men and women, is growing rapidly. This need has been taken into account by health care and skin beauty service companies, so that various facial and skin care clinic businesses have sprung up, especially in the Bandung area. Beauty clinics that have emerged today do not only offer beauty care services, but also offer products as a continuation of treatments carried out in clinics so that consumers get the results that are according to their expectations. These products can be in the form of medicines that are packaged in various forms of cosmetics that can be used by everyday consumers.

The above phenomenon causes beauty clinics to be required to create innovations in producing quality goods and services. In addition, companies must pay attention to the benefits of products created by the company, not only products that can satisfy their desires in physical form. Competition in the beauty business also requires companies to create product performance to increase consumer purchases. Consumers are often faced with several choices in using a

product. This causes consumers to consider well before making a decision to buy. The achievement or failure of company goals depends on the decisions taken by consumers in taking an action or consumer behavior whether or not to make a purchase or transaction.

Companies in Bandung engaged in *Skin Care*, including LBC Clinic *Skin Care* as her thing the authors took samples at once the object of research at company LBC Clinic *Skin Care*. Klinik LBC *Skin Care* was founded in 2014 in the field of *Skin care*, beauty, cosmetics and self-care. This vision was created seeing the conditions that are happening today so many cases that occur due to the lack of understanding of society about beauty. LBC *Skin Care* Clinic provides beauty products such as facial creams, facials, *chemical feelings*, *acupuncture*, body care, *baby spas*, and so on.

This research was conducted in the city of Bandung. The city of Bandung was chosen as the research location because the city of Bandung was the center of the LBC *Skin Care* clinic and the only LBC *Skin Care* clinic company was founded in the city of Bandung in 2014. Looking at the conditions

described above, the authors are interested in conducting research on what is causing the number of consumers experiencing fluktuasi. Sehingga in this study, the authors decided to conduct research under the title "the Effect of *Service Quality* dan *Price* Against *Purchase Decision* Product on Irna RC Clinic *Skin Care*".

LITERATURE REVIEW

Service Quality

The satisfaction of a customer depends on the quality of products and services. In marketing its products the company not only creates a need for them, but the company also pays attention to the quality of service provided to its customers. The definition of service quality is centered on fulfilling the needs and desires of consumers and the provision of its delivery to balance consumer expectations.

Service Quality Dimensions

According to F. Tjiptono and G. Chandra (2011) in Lily Harjati and Yurike Venice (2015) there are five

dimensions of quality that are most often used as references by customers in evaluating service quality, namely:

- 1) Reliability or reliability
- 2) Responsiveness
- 3) Guarantee
- 4) Empathy
- 5) Physical evidence

Price

Kotler and Keller (2016) in the thesis Andikarini (2017) states that the price is the amount of money paid by consumers to obtain a good or service. Price is the only variable in the marketing mix that generates income. Prices can also be stated in various terms, for example contributions, rates, rent, interest, premium, commission, wages, salaries, honoraria, tuition fees, and so on.

According to **Tjiptono**, price can be a strategic weapon to compete effectively. Prices can be adjusted or changed dramatically depending on what is being achieved. Thus, correct pricing is an important factor in determining a company's success in the short and long term.

Price dimension

there are 4 indicators that characterize prices, namely , affordability, compatibility with product quality, competitiveness, compatibility with benefits.)

Buying Decision

In everyday life, consumers always shop for what they need, sometimes they buy things that are not needed. Of course, all these behaviors have an influence. According to Kotler & Armstrong in the book Alma Buchari (2013) there are several factors that influence consumer decision making.

According to **Kotler and Keller** in the journal **Tunis and Martina** (2016), purchasing decisions are a stage in the purchasing decision-making process where consumers actually choose a product to buy. According to **Kotler & Keller** (2009) in the journal **Tunis and Martina** (2016) Purchasing decisions are a stage in the purchasing decision-making process where consumers actually choose a product to buy.

Buying Decision Dimensions

Consumers in making decisions to buy something go through the following stages:

- 1) Introduction of the problem
- 2) Information search
- 3) Evaluation of alternatives
- 4) Purchase decision
- 5) Post- purchase behavior

Analysis Model and Hypothesis

Hypotheses are temporary assumptions that may be true and may be wrong, so that they can be considered or viewed as temporary conclusions or conclusions, while the rejection or acceptance of a hypothesis depends on the results of research on the factors collected, then a conclusion is drawn. In connection with the description above, the hypothesis in this study can be stated as follows:

- H1 : *Service Quality* effect on *buying decision* product on Clinical LBC *skin care* .
- H2: *Price* effect on *buying decision* product on LBC Clinic *skin care* .
- H3: *Service Quality* and *price* simultaneously influence the *buying decision* of products in the clinic LBC *skin care* .

Research Methods

This research uses quantitative research. The research object in this study is *service quality, price and buying decision* . The research subjects were the consumers of the LBC *Skin Care* Bandung Clinic .

Population and Sample Research

The population in question is a population that is infinite in number (consisting of elements that are very difficult to find the boundaries for), because the population as a data source is unknown. The population referred to in this study are all consumers at the RC Clinic. Irna *Skin Care* Bandung.

For descriptive studies, a sample of 10% of the population is considered a very minimal number. For smaller populations, at least 20% may be required. The exact population number is not known. Therefore, in order for the sample taken to be representative and representative of the population, Riduwan (2009) argues that the sample should be known to use the formula

of *unknown populations*. Based on the sampling technique above using the formula for *unknown populations*, as many as 96 people were taken as the sample.

The collection of Data

The data collection technique is done by using questionnaires, Arikunto (2013) suggests a questionnaire or questionnaire is a technique of collecting data by distributing questionnaires (questionnaire) in which the questionnaire has provided a series of previously written that has been formulated to be answered by the respondent.

Analysis Data

Validity test

Validity is a measure that actually measures what will be measured. The higher the validity of a test tool, the more it hits the target, or the more it shows what should be measured. The test uses a two-sided test with a significant level of 0.05.

Reliability Testing

The reliability coefficient is known from the coefficient *alpha* (α). According to Imam Ghazali, a variable is said to be reliable if it gives a *Cronbach's alpha* value >0.6 . This reliability test is used to measure a questionnaire which is the indicators of the observed variables.

Classic assumption test

This test is carried out to obtain accountable regression results and have definite results. The classic assumption tests that are often used are as follows:

1) Normality Test

Imam Ghazali stated that the normality test is a test used in the regression model to see whether the residuals or confounding variables are normally distributed or not. A good regression model is one that has a residual value that is normally distributed. So, the normality test is not carried out on

each variable but on its residual value. There are two ways to find out whether the residuals are normally distributed or not, namely by using graph analysis and statistical tests. The statistical test used to test for normality is the Kolmogorov-Smirnov test.

2) Multicollinearity test

In addition, the relationship between the independent variables and the dependent variable is disturbed. Statistical tools that are often used to test for multicollinearity disorders are the *Variance Inflation Factor (VIF)*,

3) Heteroscedasticity test

Heteroscedasticity test. If the variance from one residual to another observation remains, it is called homoscedasticity and if it is different it is called heteroscedasticity. A good regression model is one that does not occur heteroscedasticity. The tool used to detect heteroscedasticity is a scatter plot method by plotting the ZPRED value (predictive value) with SRESID (its residual value). While the statistical tests that can be used are

the *Glejser test*, *Park test* or *white test*.

RESEARCH RESULTS AND

DISCUSSION

Validity test

The validity test is done by comparing the calculated r value with the r table. If r count is greater than r table then the question item is valid, but if r count is smaller than r table then the question item is invalid. It was found that the r table value was 0.021. data is obtained which states that from the statement items given to 96 respondents, it is found that the Corrected item- total correlation (r count) value is greater than the value of 0.021 (r table) which means that each statement instrument in the questionnaire can actually measure the which will be researched.

Reliability Test

This reliability test aims to see the consistency of data, namely how an instrument is trusted enough as a data collection tool because the instrument is good. Based on the data obtained, the variables consisting of *service quality*, *price* and *buying decision* have reliable data, this can be seen from

the Cronbach's Alpha value greater than 0.70. This proves that the respondent's answer to the statement items in a questionnaire is good and can be trusted.

Heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. If there is a certain pattern on the SPSS scatterplotgraph, such as dots that form a regular pattern, it means that heteroscedasticity has occurred. But if, there is no clear pattern, and the dots spread, it means that there is no heteroscedasticity.

From the Scatterplot graph in the image above, it can be seen that the dots spread randomly and are spread either above or below the zero on the Y axis. This can be concluded that there is no heteroscedasticity in the regression model.

Hypothesis testing

In addition, the t test and the F test were carried out. The statistical calculations of this study used the help of the SPSS program. The following are the results of multiple linear regression analysis in this study.

The multiple regression model aims to predict the size of the dependent variable using the data of the independent variable whose size is known, here are the results of the multiple linear regression equation:

Based on the t-test result table that has been obtained from the regression coefficient above, a regression equation can be made as follows:

$$\hat{Y} = 14,700 + 0,262 X_1 + 0,645 X_2$$

Based on the results of the equation above, it states that if the quality of service and price variables are considered constant or have a value of 0 (zero), the buying decision will increase. The regression coefficient on the service quality variable shows that if the service quality variable increases, the buying decision variable will increase, provided that other variables are considered constant. The regression coefficient on the price variable shows

that if the price variable increases, the buying decision variable will increase, provided that other variables are considered constant.

T test

The t test results indicate that the service quality variable has a sig value. (0.002) < 0.05 means significant, while $t_{count} > t_{table}$, $3.156 > 1.989$, then H_a is accepted and H_o is rejected, so it can be concluded that the service quality coefficient partially has a significant effect on buying decisions. The research results prove that the better the service quality, the greater the buying decision. The results are in accordance with the research of Vidya Hanesty Purbarani (2013), the results state that the service quality variable (X1) has a positive influence on buying decisions (Y).

The t test results show that the price variable has a sig. (0.000) < 0.05 means significant, while $t_{count} > t_{table}$, ($4.686 > 1.989$), then H_a is accepted and H_o is rejected, so it can be concluded that the price coefficient partially has a significant effect on buying decision. The results prove that the better the price

strategy, the greater the buying decision. The results are in accordance with the research of Yugi Setyawan (2016), the results state that the Price variable (X2) has a positive and significant effect on the buying decision (Y).

F test

F test results that can be used to predict the contribution of aspects of service quality and price variables to the buying decision variable. From the calculation, the calculated F value is 31.439. With a significant level of 5% and $df1 = 2$ and $df2 = 93$, the value of $F_{table} = 3.09$ is obtained. Because the calculated F value (31.439) > F_{table} value (3.09), it can be concluded that the three independent variables, namely service quality and price, significantly contributed significantly to the buying decision variable. So that the regression model obtained is suitable for predicting. So it can be concluded that H_o is rejected and H_a is accepted.

Research Discussion

Research on the effect of service quality and price on buying decisions at the LBC Skin Care Bandung, the following discussion can be made:

The effect of service quality on buying decision at LBC Skin Care Bandung

The results showed that there was a partially positive influence between service quality and buying decision based on a significant value less than 0.05. This proves that the better the service quality, the greater the buying decision.

The results of the study are in accordance with the theory expressed by Lovelock in Tjiptono (2011) which states that if the quality of service received by consumers is better or the same as what he imagines, then he will tend to try again. The results are also in accordance with research conducted by Thomas (2012), the results state that there is a partial or simultaneous influence between service quality variables on buying decisions. Other research is also in accordance with research conducted by Vidya Hanesty Purbarani (2013), the results state that service quality has a positive effect on buying decisions.

The effect of price on buying decision at RC Clinic Irna Skin Care Bandung

The result of the research states that there is a partially positive effect between price and buying decision based on the significant value less than 0.05. This proves that the better the price strategy, the greater the buying decision.

The results of the research are in accordance with the theory stated by Tjiptono, prices can also be set with the aim of preventing entry of competitors, maintaining customer loyalty, supporting resale, getting cash flow as soon as possible, or avoiding government interference. The results are also in accordance with research conducted by Yugi Setyarko (2016), the results show that price has a positive value on buying decisions.

CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of research and discussion regarding the analysis of the effect of service quality and price on buying decisions, several conclusions can be drawn as follows:

1. Based on the results of the multiple regression test partially, the results of the t test show that the service quality variable (X1) has a

significant effect on buying decision (Y)

2. Based on the results of the partial regression test, the results of the t test show that the variable Price (X2) has a significant effect on buying decision (Y).

3. Based on the results of multiple regression tests simultaneously, the results of the F test show that the two independent variables, namely service quality and price, have a significant value of 0.000 and the calculated F value (31.439) > the F table value (3.09) makes a major contribution to the buying decision variable.

Suggestion

Based on the above conclusions, the writer tries to provide suggestions that are useful and become a consideration for the LBC Skin Care Clinic. The suggestions are given as follows:

1. For the Company
 - a. The results showed that the service quality variable had a significant effect on buying decisions. This proves that customers feel the services

provided by the LBC Skin Care clinic are very good because the employees of the LBC Skin Care clinic are always ready to help and serve their customers politely. In addition, customers feel comfortable with complete and clean facilities. Therefore, the better the service provided by employees to customers, the higher the purchasing decision, it is necessary to increase service quality by conducting training for employees, so that employees can be better at serving customers.

b. The result of the research states that the price variable has a significant effect on buying decision. Customers consider that the price offered is in accordance with the product quality they feel. In addition, the price offered is affordable for all people. This proves that the better the pricing strategy, the higher the purchasing decisions, so there is a need to increase the price strategy by conducting trade discounts, namely by giving discounts to resellers who are involved in the distribution of goods.

2. For further researchers Fandy, Tjiptono. (2015). *Marketing Strategy*. Yogyakarta: Andi.
- a. For further research, it should be able to develop this research by examining other variables that can influence *buying decisions*. The suggestion that can be given by the researcher is that the researcher can try other variables such as *Repurchase Decision*. So that more varied information can be obtained about the variables that affect the *buying decision*.

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