
ANALYSIS OF THE INFLUENCE OF PRODUCT QUALITY AND PRICE ON CONSUMER PURCHASING DECISIONS (MARKETING MANAGEMENT LITERATURE REVIEW)

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ABSTRACT

Received: 18-01-2025

Accepted: 18-06-2025

Keywords:

Product quality, price, purchasing decisions, marketing management

This study aims to analyze the influence of product quality and price on consumer purchasing decisions through a literature review in marketing management. The method of writing this scientific article is with qualitative methods and literature review (Library Research). Based on the analysis of previous studies, product quality has been shown to have a significant effect on consumer satisfaction and loyalty, while price functions as an additional factor influencing purchasing decisions, especially for consumers who are sensitive to costs. Both play a role in creating perceived value for consumers. This study concludes that companies need to balance quality and price to influence purchasing decisions effectively.

1. INTRODUCTION

Consumer purchasing decisions are crucial in the world of business and marketing, where various factors influence consumer behavior in choosing products. The two factors that are often considered the most dominant are product quality and price. Product quality is defined as the extent to which the product meets consumer expectations and needs, while price relates to consumer perceptions of the value they receive compared to the costs incurred. In the context of marketing management, these two factors play an important role in making purchasing decisions and building long-term relationships with consumers.

As market competition becomes increasingly fierce, companies are required to deeply understand how product quality and price interact to influence consumer decisions. Various studies have shown that product quality is often the main factor that determines consumer satisfaction and loyalty, while price is more of a variable that influences purchasing decisions at a certain time. Therefore, it is important for companies to develop marketing strategies that take into account both factors in order to win the competition in the market.

This study aims to examine the influence of product quality and price on consumer purchasing decisions using a literature review approach, which will identify and analyze important findings from previous studies in the context of marketing management.

Definition of product quality

According to Astuti in(Satdiah dkk., 2023) Product quality is the ability of a product to perform its various functions, this ability includes the accuracy, reliability and durability obtained by the product as a whole.

According to Kotler and Armstrong in(Gloria dkk., 2018) Product quality is the characteristic of a product in its ability to meet predetermined and latent needs.

According to Garvin, (Gloria dkk., 2018)quality is the superiority that the product has. Quality in the consumer's view is something that has its own scope that is different from the quality in the producer's view when releasing a product that is usually known as its actual quality. Product quality is formed by several indicators including ease of use, durability, clarity, function, diversity of product sizes, and others.

According to Kotler & Keller (Kualitas dkk., 2020), "Product Quality is the ability of a product to carry out its functions including durability, reliability, accuracy, ease of operation and repair and other attributes."

According to Owen and Minor, product quality is the consumer's overall assessment of the performance of goods and services. (sari ismayana,nur hayati, 2018)

Definition of Price

According to Kotler and Armstrong, price in the narrow sense is the amount charged for a product or service, more broadly, price is the sum of all values given by consumers to gain the benefit of having or using a product or service, Price is the only element in the marketing mix that generates revenue, all elements of the marketing mix are the most flexible, unlike product features and dealer commitments, prices can change quickly. (sari ismayana,nur hayati, 2018)

According to Gozali, price is one of the important variables in marketing, where price can influence customers in making decisions to buy a product, for various reasons.(Kualitas dkk., 2020)

According to Zulkarnaen, (Satdiah dkk., 2023) price is the value of money that must be paid by customers to sellers and buyers of goods they buy. In other words, price is the value of an item determined by the seller. As for those who state the meaning of price, namely the value of money charged to buyers in order to have benefits through a product (services or goods) purchased through producers or sellers.

Price according to Kotler and Armstrong is the amount of money exchanged for a product and service. Furthermore, price is the amount of value that consumers exchange for the amount of benefits by having or using a good or service. Price is something that consumers pay attention to when making a purchase(Kualitas dkk., 2020)

According to M Suyanto, quality is how well a product meets the specific needs of customers. (PERDANA, 2019)

Pricing is the most critical task that will support the success of a business, the price of a good or service is a determining factor for consumers to obtain the product or service that will be used in other words, price is a determinant of the value of a product or service for most consumers. Price is the only element of the marketing mix that generates revenue for the organization. (LESTARI, 2023)

Definition of Purchasing Decision

Assauri (Kualitas dkk., 2020) stated that purchasing decisions are a decision-making process regarding purchases which includes determining what to buy or not to buy and this decision is obtained from previous activities.

A purchasing decision is a consumer's decision to buy a product after previously thinking about whether or not it is worth buying the product by considering the information he knows and the reality about the product after he has witnessed it.(Gloria dkk., 2018)

In the article (LESTARI, 2023) according to Kotler and Ketller Purchasing decisions are consumer decisions regarding preferences for brands in a collection of choices Purchasing decisions made by customers in purchasing motorcycles involve customer confidence in a product so that a sense of confidence arises in the correctness of the actions taken. Customer confidence in the purchasing decisions they make represents the extent to which customers have confidence in their decisions to choose a product.

According to Kotler & Armstrong, (Ferdinand dkk., 2024) this Purchasing Decision is a decision that can be taken by consumers when they buy products they like. Two factors that influence the relationship between purchase intention and purchase decision, namely the influence of other people's attitudes towards the product and the influence of unexpected situational factors. The first factor is the influence of other people's attitudes towards the product, if consumers get good and satisfactory service from the seller or store, they will tend to be satisfied and choose to make a purchase of the product, but if the service provided does not meet consumer expectations, then the consumer will look for another store that offers a product with good service. The second factor is an unexpected situational factor

According to Buchari Alma on (Iwan Sahara dkk., t.t.) "purchasing decisions are decisions that are influenced by financial economics, technology, politics, culture, products, prices, locations, promotions, physical evidence, people and processes, so that an attitude in consumers to accept all information and draw conclusions in the form of responses that arise what products will be purchased. Purchasing decisions are a process and final activity when someone is related to the search and selection of products and services in order to meet needs and desires.

Jamaludin (Nova Ardiyansyah & Suryari Purnama, 2024) stated that consumer purchasing decisions will provide clear information regarding consumer expectations of the product to ensure that the product offered truly meets consumer expectations.

Table 1. Relevant research

No	Writer	Previous research results	Similarities with this article	Differences with this article
1	(Satdiah et al., 2023)	Both price and product quality significantly influence consumer purchasing decisions at De'lucent Paint Store. This means that these two factors are interrelated	The influence of product quality and price on purchasing decisions	Discussing de'lucent paint shop

		and play an important role in encouraging consumers to choose certain paint products.					
2	(Gloria et al., 2018)	that good product quality and competitive prices are the main factors that influence consumers to choose the Daihatsu Grand Max Pick Up.	The influence of product quality and price on purchasing decisions	Mentioning that price and quality are the main factors in determining the decision	This means that setting the right price is able to influence consumers to make purchases.		
3	(Quality et al., 2020)	Product quality has a positive and significant effect on purchasing decisions. Price has a negative and insignificant effect on purchasing decisions. Many studies have shown a decline, even though the product is expensive but the product quality is good, it will be considered.	The influence of product quality and price on purchasing decisions	-	1. Product quality has a positive and significant effect on the decision to purchase a Honda Scoopy motorcycle at CV. Gowata Sakti Motor. 2. Price has a positive and significant effect on the decision to purchase a Honda Scoopy motorcycle at CV. Gowata Sakti Motor.	The influence of product quality and price on purchasing decisions	Discussing more specific objects
4	(sari ismayana, nur hayati, 2018)	The results of the study show that price has a positive and significant effect. n on purchasing decisions.	The influence of product quality and price on purchasing decisions	-	it can be concluded that price has a positive and significant effect on purchasing decisions. This shows that the higher the price level, the stronger the decision to buy a smartphone will be for students.	The influence of price on purchasing decisions	Does not include product quality variables
5	(LESTAR I, 2023)						
6	(Adrianto, n.d.)						
7	(Ferdinand et al., 2024)						

	significant and positive impact on purchasing decisions. The results of this study indicate that product quality has a significant impact on purchasing decisions because this mixue itself provides several diverse, varied, and quality menus as well as the taste of the mixue itself so that the quality of the product provided by the mixue itself no longer makes consumers hesitate to buy it.	and price on purchasing decisions	we also discuss the influence of product variation s.		Nurhayaty , 2024)	show that price has a positive and significant effect on purchasing decisions.	on purchasing decisions	quality variable
8	(Nova Ardiyansyah & Suryari Purnama, 2024)	Based on the research findings, it indicates that product quality has no influence on purchasing decisions. This means that product quality is not a factor that respondents prioritize in shopping for Teh Kemasa products.	The influence of product quality and price on purchasing decisions	States that product quality has no effect on purchasing decisions	10 (Rorong et al., 2021)	Price and Product Quality simultaneously have a positive and significant influence on the decision to purchase imported used clothing at Pasar Baru Langowan.	The influence of product quality and price on purchasing decisions	-
9	(Stianingrum &	The results of the analysis	The influence of price	There is no product				

2. RESEARCH METHODS

The method of writing this scientific article is with qualitative methods and literature review (Library Research). Reviewing theories and relationships or influences between variables from books and journals both offline in the library and online from Mendeley, Google Scholar and other online media. In qualitative research, literature reviews must be used consistently with methodological assumptions. This means that it must be used inductively so as not to direct the questions asked by the researcher. One of the main reasons for conducting qualitative research is that the research is exploratory.

3. RESULTS AND DISCUSSION

The Influence of Product Quality on Purchasing Decisions

Product quality has a significant influence on consumer purchasing decisions. This shows that the higher the consumer's perception of product quality, the more likely they are to decide to make a purchase.

The Influence of Price on Purchasing Decisions

This study shows that price has a significant influence on purchasing decisions, but this influence is highly dependent on the perception of quality and consumer budget. Prices that are too high compared to product quality can reduce purchasing interest, while affordable prices, but still reflect good quality, tend to

increase purchasing decisions. Therefore, stores need to ensure that the prices offered are in accordance with consumer expectations and are comparable to the quality of the products sold. In addition, promotions and discounts can be effective strategies to attract consumers, but must be considered carefully so as not to damage the perception of product value.

4. CONCLUSION

This study aims to analyze the influence of product quality and price on consumer purchasing decisions.

Based on the results of qualitative data analysis, it can be concluded that product quality and price are the two main factors that influence consumer purchasing decisions. Consumers stated that they pay close attention to product quality, such as durability, performance, and product design. They also consider price, but price is not the only determining factor. Consumers tend to choose products with good quality even though the price is slightly more expensive. In addition, factors

Other factors such as brands, recommendations from friends or family, and promotions also influence purchasing decisions.

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