



Analysis of Promotion Mix, Price Perception, and Service Quality on Purchase Decisions for Mask Products on Tokopedia

Steven Septadhika^{1*}, Gidion Putra Adirinekso²

^{1,2}Management, Universitas Kristen Krida Wacana, West Jakarta, Indonesia

Email: steven.312020055@civitas.ukrida.ac.id^{1*}, gidion.adirinekso@ukrida.ac.id²

ABSTRACT

This study aims to investigate the influence of the promotional mix, price perception, and service quality on purchasing decisions for mask products in Jakarta. Utilizing a purposive sampling technique, data was collected from 330 respondents who are users of the Tokopedia application residing in the Jakarta area. The findings reveal several key insights: firstly, the promotional mix exhibits a positive and significant impact on purchasing decisions. Secondly, price perception demonstrates a negative and significant effect on purchasing decisions. Lastly, service quality is identified as having a positive and significant influence on purchasing decisions. These results emphasize the importance of a well-crafted promotional mix, favorable price perceptions, and high service quality in shaping consumers' decisions regarding mask product purchases. The outcomes of this research contribute to a better understanding of the factors that influence consumer choices in the Jakarta region, providing valuable insights for businesses and marketers looking to enhance their strategies in promoting and selling mask products.

Keywords: Promotion Mix, Price Perception, Service Quality, and Purchasing Decisions

INTRODUCTION

Currently, the development of the digital era is increasingly rapid in Indonesia (Dharmayanti et al., 2023; Kurniawan et al., 2022; Setyawan et al., 2022). The internet is one of the important needs for most people because it provides easy and fast access to various information, products, services, and entertainment needed by the community (Abbas et al., 2023; Far et al., 2023; Reddick et al., 2020; Szymkowiak et al., 2021; Yáñez-Valdés et al., 2023). This makes people unable to escape the use of the internet that changes their lifestyle. One of the big changes is the way people shop which is now shifting from traditional shopping in physical stores to online shopping. This has created new business opportunities that are in demand by business activists. This business is called Electronic Commerce (E-Commerce), which

allows sellers and buyers to easily make buying and selling transactions (Akilandeswari et al., 2024; Budiono & Rahmawati, 2023).

One of the famous e-commerce sites in Indonesia is Tokopedia. Tokopedia was founded on February 6, 2009 by William Tanuwijaya and Leontinus Alpha Edison, officially launched to the public on August 17, 2009. PT Tokopedia, the company behind it all, initially received funding from PT Indonusa Dwitama in 2009. Over the years, Tokopedia received capital injections from various global venture capitalists, including Cyber Agent Ventures in 2011, Netprice in 2012, SoftBank Ventures Korea in 2013, and East Ventures in 2010. It was 2014 and in October, American SoftBank Internet and Media Inc (SIMI) decided to invest in a Southeast Asian technology company called Tokopedia (Iwasaki, n.d.). This is an important milestone as no other company in the region has managed to raise such capital before. The funds are around IDR 1.2 trillion or US \$ 100 million (Chan & Pribadi, 2022; Nurhadi et al., 2023). In April 2016, Tokopedia reportedly received an investment of US \$ 147 million or equivalent to around 1.9 trillion rupiah. Furthermore, in August 2017, Tokopedia received an investment of US\$1.1 billion from Alibaba, which aims to expand Alibaba's network in Indonesia and Southeast Asia (Oh & No, 2020; Rabe & Kostka, 2023).

During the COVID-19 outbreak that has hit the entire world, including Indonesia, health factors have become a priority for the community. In addition to sanitary products such as soap, masks, wipes, and hand sanitizer. Nutritious healthy food and beverage products such as milk and supplements are also sought after by consumers. Tokopedia has observed tremendous growth in the transaction value of these specific products on its platform (Panigoro et al., 2023).

After the pandemic period officially ended, there was a phenomenon where several cities in Indonesia including Jakarta experienced a decline in air quality, even reaching unhealthy levels. For more information, on Friday morning, September 1, 2023, at 06.00 WIB. According to a CNBC Indonesia report based on IQAir data, the air quality in Jakarta is still considered unhealthy. AQI or air quality index is at 167 and the main pollutant is PM 2.5. With these conditions, the government appeals to people who are active outdoors to return to using masks that are effective in protecting the respiratory tract from incoming air pollution particles (Akhmadi & Pratolo, 2021).

Despite the re-enforcement of mask recommendations, mask sales in Indonesia continue to experience a significant decline (Ardiyono & Patunru, 2023; Fielbaum et al., 2023; Gamal et al., 2023). According to data from Statista, in 2022, the sales volume of masks in Indonesia reached 7.43 billion units with a value of US\$ 1.11 billion. In terms of volume, there was a drastic decrease of 65.92% compared to 2021, where sales reached 21.80 billion units. The sales value of this medical device also decreased by 69.33% when compared to the previous year, which reached US \$ 3.61 billion.

Therefore, in order for consumers to know the products offered and increase the possibility of making a purchase, Tokopedia needs to carry out appropriate and effective

marketing activities. Tokopedia must carefully consider each element in the marketing mix in order to formulate an effective marketing program.

In addition to the marketing mix, there are several other factors that have an impact on customer purchasing decisions on Tokopedia, one of which is the perception of price. Price perception is the way customers see or assess the price of products offered by Tokopedia. A positive view of price can increase customer interest in buying products, while a negative view of price can reduce customer interest in making a purchase.

E-commerce in Indonesia is a closely contested field with each company vying to provide the best quality of service for their customers. Achieving customer satisfaction is their top priority. The discussion raised by researchers now is different from other similar studies because it discusses the problem of Tokopedia in terms of health products, namely masks. Therefore, this discussion will be very useful for readers who want to understand the Tokopedia company in terms of purchasing decisions for mask products from the pandemic period until now.

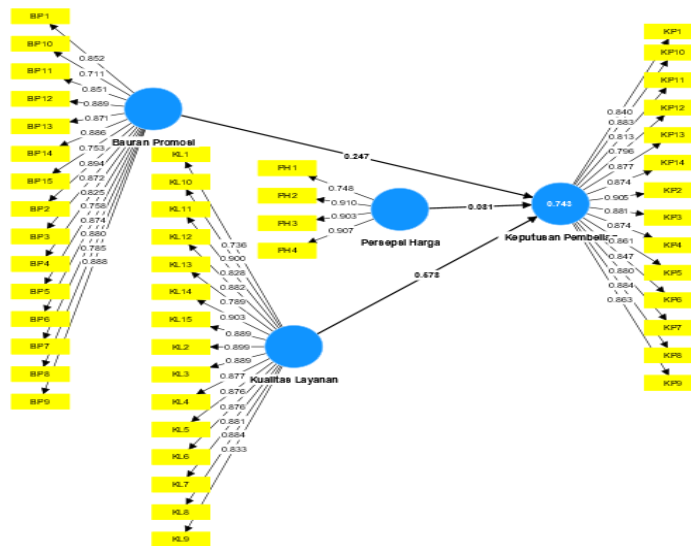
RESEARCH METHODS

The data used in this study is quantitative data. Where, primary data is obtained from the distribution of questionnaires distributed to respondents directly. In this study, the secondary data used were journals, websites, and books from outside the company. The population contained in this study is a Tokopedia application downloader on the Google Play Store, App Store and other similar app stores in Jakarta. In this study, purposive sampling techniques were used, which means that all members of the population were taken as samples. The sample in this study amounted to 330 people.

RESULTS AND DISCUSSION

There are 330 respondents' answers that have been collected. where 166 respondents were men, and 164 women. The age of respondents was mostly under 22 years to 25 years old. The respondents' domicile was dominated by the West Jakarta area.

Figure 1. Outer Loadings



Source : Processed primary data, 2024

On the results of the validity of outer loadings, all indicators are declared valid. Because it is equal to or below 0.70 and colored green. On the Convergent Validity (AVE) test. All indicators are declared valid. Because all the results obtained are above 0.50. Promotion mix (x1) of 0.708, price perception (x2) of 0.756, service quality (x3) of 0.747, and purchase decision (y) of 0.745.

Table 1. Heterotrait-Monotrait Ratio of Correlations (HTMT)

	Promotion Mix	Purchasing Disconnect	Quality of Service	Price Perception
Promotion Mix				
Purchase Results	0,806			
Quality of Service	0,8553	0,868		
Price Perception	0,800	0,776	0,856	

Source : Processed primary data, 2024

In the HTMT test, the results stated that all indicators were valid. Because all values are below 0.90.

Table 2. Cronbach's Alpha

	Cronbach's alpha	Composite reliability (rho_c)
Promotion Mix	0,970	0,973
Purchase Results	0,974	0,976
Quality of Service	0,976	0,978
Price Perception	0,891	0,925

Source : Processed primary data, 2024

On Cronbach's Alpha, all results show that the indicator values are valid. Because, all the values obtained are more than 0.70. Promotion mix (x1) of 0.970, price perception (x2) of 0.891, quality of service (x3) of 0.976, and purchase decision (y) of 0.974.

Composite Reability (rcho_c)

On Composite Reability (rcho_c), it shows that all indicators are valid. This can be ascertained because the value obtained from the calculation is greater than 0.70. Promotion mix (x1) of 0.973, price perception (x2) of 0.925, quality of service (x3) of 0.978, and purchase decision (y) of 0.976.

The results of the Inner Model Test obtained from calculating the correlation value of r-square determination show that the r-square adjusted model is in a moderate or medium model, which is 0.741. While the r-square value of 7.43% is influenced by the promotion mix, price perception, and service quality.

Table 3. Path Coefficient

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistic (O/STDEV)	P VALUES
X1-> Y	0,247	0,248	0,065	3,807	0,000
X3-> Y	0,578	0,576	0,061	9,482	0,000
X2-> Y	0,081	0,083	0,049	1,680	0,093

Based on the results of calculating the Path Coefficient, by looking at the p-value it can be concluded that the relationship between x1 and y is significant, because the results obtained are less than 0.05, then the relationship between x2 and y is insignificant because the value obtained is 0.093 which is more than 0.05, then the relationship between x3 and y is significant, because the value obtained is 0.000. where the value is also less than 0.05.

Based on the results of t-statistical calculations, it can be concluded that the hypothesis of the value x 1 is accepted, since the value of the calculation results in the table is more than 1.96. Then the hypothesis x 2 is rejected, because the value of the calculation result is less than 1.96. And the value of the hypothesis x 3 is also accepted, since it is more than 1.96.

CONCLUSION

Based on the results of the study entitled "ANALYSIS OF PROMOTION MIX, PRICE PERCEPTION, AND SERVICE QUALITY ON THE DECISION TO PURCHASE MASK PRODUCTS ON TOKOPEDIA", it can be concluded that the promotion mix has a significant influence on the decision to purchase mask products on Tokopedia. In contrast, price perception does not have a significant influence on purchasing decisions. On the other hand, the quality of service has a significant positive influence on the purchase decision of mask products. This conclusion

provides important insights for businesses in managing marketing strategies, especially related to promotions and services, to increase consumer attractiveness and purchase decisions on e-commerce platforms. In line with these findings, it is recommended that businesses focus efforts on improving service quality and effective promotional strategies to maximize their influence on consumer purchasing decisions.

BIBLIOGRAPHY

- Abbas, S., Alnoor, A., Yin, T. S., Sadaa, A. M., Muhsen, Y. R., Khaw, K. W., & Ganesan, Y. (2023). Antecedents of trustworthiness of social commerce platforms: a case of rural communities using multi group SEM & MCDM methods. *Electronic Commerce Research and Applications, 62*, 101322.
- Akhmadi, H., & Pratolo, S. (2021). Online marketing of food products through marketplace platform: A study of community based online marketplace of bedukmutu. *E3S Web of Conferences, 232*, 2015.
- Akilandeeswari, S. V, Nagpal, P., Vinotha, C., Jain, K., Chatterjee, R., & Gundavarapu, M. R. (2024). Transforming E-Commerce: Unleashing The Potential Of Dynamic Pricing Optimization Through Artificial Intelligence For Strategic Management. *Migration Letters, 21*(S3), 1250–1260.
- Ardiyono, S. K., & Patunru, A. A. (2023). Firms' responses to foreign demand shocks: Evidence from Indonesia after the global financial crisis. *Economic Modelling, 128*, 106493.
- Budiono, A., & Rahmawati, A. (2023). Juridical Review the Principle of Online Buying and Selling Trust Perspective of Law Number 11 of 2008 concerning Information and Electronic Transactions (UU ITE). *International Journal of Social Science Research and Review, 6*(2), 564–570.
- Chan, T.-K., & Pribadi, K. S. (2022). Financing of Infrastructure Investments. In *Construction in Indonesia* (pp. 92–108). Routledge.
- Dharmayanti, N., Ismail, T., Hanifah, I. A., & Taqi, M. (2023). Exploring sustainability management control system and eco-innovation matter sustainable financial performance: The role of supply chain management and digital adaptability in Indonesian context. *Journal of Open Innovation: Technology, Market, and Complexity, 9*(3), 100119.
- Far, S. B., Rad, A. I., & Asaar, M. R. (2023). Blockchain and its derived technologies shape the future generation of digital businesses: a focus on decentralized finance and the Metaverse. *Data Science and Management, 6*(3), 183–197.
- Fielbaum, A., Ruiz, F., Boccardo, G., Rubio, D., Tirachini, A., & Rosales-Salas, J. (2023). The job of public transport, ride-hailing and delivery drivers: conditions during the COVID-19 pandemic and implications for a post-pandemic future. *Travel Behaviour and Society, 31*, 63–77.
- Gamal, A., Rohmah, L., & Muhyi, M. M. (2023). Housing preference shifting during COVID-19 pandemic in Indonesia. *Journal of Urban Management, 12*(3), 268–283.
- Iwasaki, K. (n.d.). *Chinese Firms Driving Digitalization in the ASEAN Region*.
- Kurniawan, T. A., Othman, M. H. D., Hwang, G. H., & Gikas, P. (2022). Unlocking digital technologies for waste recycling in Industry 4.0 era: A transformation towards a

- digitalization-based circular economy in Indonesia. *Journal of Cleaner Production*, 357, 131911.
- Nurhadi, N., Yuda, T. K., Kafaa, K. A., & Pratiyudha, P. P. (2023). Changing welfare solidarity: social policy and solidarity ventures during COVID-19 outbreak in Indonesia. *Journal of Asian Public Policy*, 1–21.
- Oh, Y. A., & No, S. (2020). The patterns of state-firm coordination in China's private sector internationalization: China's mergers and acquisitions in Southeast Asia. *The Pacific Review*, 33(6), 873–899.
- Panigoro, E., Harwani, Y., Permana, D., Imaningsih, E. S., & Mahadewi, E. P. (2023). The Impact of Digital Communication on Online Purchasing Behavior among Indonesian Millennials: A Case Study of Tokopedia. *JURNAL KOMUNIKASI INDONESIA*, 12(2), 8.
- Rabe, W., & Kostka, G. (2023). China's growing digital reach: explaining citizens' high approval rates of fintech investments in Southeast Asia. *Review of International Political Economy*, 30(3), 1098–1124.
- Reddick, C. G., Enriquez, R., Harris, R. J., & Sharma, B. (2020). Determinants of broadband access and affordability: An analysis of a community survey on the digital divide. *Cities*, 106, 102904.
- Setyawan, A. A., PRABOWO, H., SIMATUPANG, B., & PRADIPTO, Y. D. (2022). Effect of Quality Management Practices, and Digital Innovation on Organizational Performance Mediated by Competitiveness Strategy and Moderated by Industrial Collaboration at Vocational Colleges in Indonesia. *ITALIENISCH*, 12(2), 1096–1100.
- Szymkowiak, A., Melović, B., Dabić, M., Jeganathan, K., & Kundi, G. S. (2021). Information technology and Gen Z: The role of teachers, the internet, and technology in the education of young people. *Technology in Society*, 65, 101565.
- Yáñez-Valdés, C., Guerrero, M., Barros-Celume, S., & Ibáñez, M. J. (2023). Winds of change due to global lockdowns: Refreshing digital social entrepreneurship research paradigm. *Technological Forecasting and Social Change*, 190, 122454.

Copyright holder:

Steven Septadhika, Gidion Putra Adirinekso (2024)

First publication right:

Asian Journal of Engineering, Social and Health (AJESH)

This article is licensed under:

