# The Influence of Price and Promotion Strategy On Purchasing Decisions For Oppo Smartphones In Ujung Teran Village, Tigalingga Sub-District, Dairi District

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**ABSTRACT**

This study aims to determine whether price and promotion strategy have an influence on purchasing decisions for Oppi smartphones in Ujung Teran Village, Tigalingga District, Dairi Regency. The population used in this study were Oppi consumers in Ujung Teran Village, Tigalingga District, Dairi Regency. This study used a sample of 88 respondents, hypothesis testing in this study using statistical model analysis consisting of validity test, reliability test, classical assumption test, multiple linear regression, F test, t test, and coefficient of determination ($R^2$) using SPSS 23 (Statistic Product and Services Solution) software for windows. The research data comes from primary data and the data collection process and uses a questionnaire. The results showed that there was a relationship between the independent variables, namely Price and Promotion Strategy on the dependent variable, namely Purchasing Decisions. The price variable obtained t value is tcount> ttable (3.571> 1.662) with a significance level of 0.001 <0.05 and for the Promotion strategy variable obtained tcount> ttable (6.900> 1.662) with a significance level of 0.000 <0.05 so it can be concluded that the price and promotion strategy have a significant positive effect on the Oppi Purchase Decision in Ujung Teran Village, Tigalingga District, Dairi Regency. And the F test obtained the value of fcount> ftabel (30.598> 3.10), with the hypothesis accepted so that it can be concluded that the Price variable (X1) and the Promotion strategy variable (X2) simultaneously affect the Purchasing Decision (Y).

*Keywords: Price, Promotion Straetgy, Purchasing Decisions*

## I.    INTRODUCTION

In the era of rapid development of information and communication technology, smartphones have become a primary need for most people. The presence of this technology not only facilitates daily activities, but also becomes a symbol of modern lifestyle. Various smartphone brands are competing to present products with

innovative features and competitive prices. Oppo, as one of the most popular brands in Indonesia, has managed to steal the attention of consumers by offering attractive designs, advanced specifications, and aggressive marketing strategies. However, market challenges remain significant due to intense competition from other brands that continue to innovate.

In the context of making purchasing decisions, price and promotional strategies are two factors that greatly influence consumer behavior. Price is often the main indicator in assessing the value of a product. According to Rosalina, Qomariah, and Sari (2020), price is an important element that reflects the quality and benefits of a good or service. Consumers tend to compare prices with the quality offered before deciding to buy. On the other hand, promotional strategies play an important role in building consumer perceptions of brands. As explained by Rangkuti (2019), promotion is an activity that aims to communicate product advantages and influence consumer decisions to buy.

The results of a pre-survey conducted in Ujung Teran Village, Tigalingga District, show that there are several obstacles faced by Oppo in maintaining consumer loyalty. Some respondents felt that the price of Oppo smartphones did not fully reflect the expected quality, while the promotional strategies carried out were considered not enough to attract the interest of most consumers. This phenomenon reflects the need for an in-depth evaluation of the factors that influence purchasing decisions in the region.

Previous research supports the importance of price and promotion variables in influencing purchasing decisions. For example, research by Gunarsih et al. (2021) concluded that price has a significant influence on consumer purchasing decisions, with indicators such as price affordability and suitability of benefit value. Research by Djoko Lesmana Radji & Sagita Kasim (2018) also shows that promotional strategies, which include advertising, sales promotion, and public relations, have a positive influence on consumer purchasing decisions. However, research by Dinal Rahmat Alam et al. (2023) shows that the combination of price and promotional strategies has a greater influence simultaneously on purchasing decisions than the influence of each variable partially.

Based on this phenomenon and the results of previous research, this study aims to analyze the effect of price and promotional strategies on purchasing decisions for Oppo smartphones in Ujung Teran Village, Tigalingga District. By using a quantitative approach, this research is expected to make a significant contribution to Oppo in formulating more effective marketing strategies, especially in areas with unique market characteristics.

## II.  LITERATURE REVIEW

### Defenition of Price

According to Tjiptono (2019) Price is a monetary unit or other measure (including other goods and services) that is exchanged in order to obtain the right to ownership or use of a good or service. Loyal customers will see the price. The price effect provides a new illustration of communication and marketing strategies to increase customer satisfaction. The price formula for satisfaction that there are two principles of the price mechanism, it has the potential to mark product quality. The sale of high-quality products is characterized by high-quality products. If the relationship between high cost and high quality is known, consumers can expect that high prices have high quality (Subekhi & Hadibrata, 2020).

### Defenition of Promotion Strategy

Promotion is a variety of activities carried out by the company for these activities, the goal is to create an effective promotion process so that the achievement of the objectives of the promotion program in particular and marketing as a whole, namely achieving the expected level of sales and providing benefits for the company.

According to Rangkuti (2019) promotion is an activity of communicating product advantages and persuading customers to buy that product. According to Kotler and Keller (2016) Sales promotion is the core ingredient in a marketing campaign, consisting of a collection of incentive tools, mostly short-term, designed to stimulate faster or larger purchases of certain products or services by consumers or trade. Promotional activities are one of the ways companies (goods / services) increase the sales volume of their products.

**Defenition of Purchasing Decisions**

Purchasing Decision is the process by which consumers identify products by finding information about a particular product or brand and evaluating how good the product and its alternatives are, to decide which product is most desirable, and thus the consumer's decision is to modify his choice to avoid risk. The dimensions of Purchasing Decisions can be explained as follows: Product Selection, Brand Selection, Purchase Channel Selection, Purchase Amount, Purchase Time and Payment Method.

Purchasing decisions are the process by which consumers identify products by finding information about a particular product or brand and evaluating how good the product and its alternatives are, to decide which product is most desirable, and thus the consumer's decision is to modify his choice to avoid risk (Pasha & Hadibrata 2019).

## III.    METHODS

The type of research used in this study is associative research, which is research that aims to analyze the relationship or influence between two or more variables. This study focuses on the effect of independent variables, namely Price and Promotion Strategy on the dependent variable, namely Purchasing Decisions. The research was conducted on Oppo smartphone consumers in Ujung Teran Village, Tigalingga District, Dairi Regency. The population in this study were all residents of Ujung Teran Village who were 17-45 years old and were users or potential users of Oppo smartphones. Based on the data obtained, the total population is 709 people (Sugiyono, 2019). In this study, samples were taken using non-probability sampling techniques with purposive sampling method, namely sample selection based on certain criteria. The criteria determined are residents of Ujung Teran Village who have used or intend to use an Oppo smartphone. The number of samples was calculated using the Slovin formula with an error rate of 10%, so that a sample of 88 respondents was obtained. Data collection was carried out through questionnaires distributed online using Google Form and directly to respondents. The questionnaire includes items that measure the variables Price, Promotion Strategy, and Purchase Decision. The scale used in the questionnaire is a Likert scale with five levels of answer options,

ranging from "strongly disagree" to "strongly agree." Data analysis in this study used multiple linear regression analysis with the help of SPSS software version 23. Validity and reliability tests were carried out to ensure that the research instruments were reliable. In addition, a classical assumption test was conducted which included normality, multicollinearity, and heteroscedasticity tests to ensure the regression model met the requirements. This study also uses the t test to test the partial effect of the independent variable on the dependent variable, the F test to test the simultaneous effect, and the coefficient of determination ($R^2$) to measure the contribution of the independent variable to the dependent variable.

## IV.  RESULTS
### Classical Assumptions

**1.Normality Test**

**a. Histogram Approach**



Histogram
Dependent Variable: KeputusanPembelian

Mean = -1.04E-17
Std. Dev. = 0.988
N = 88
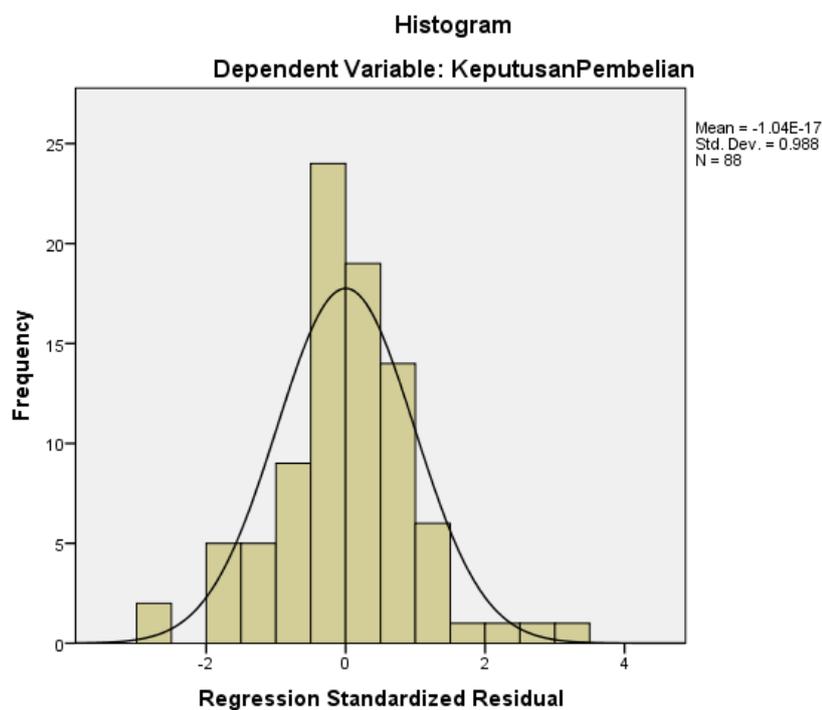
Based on the Histogram Graph image above, it can be seen that the curve forms a perfect bell at point 0, so it is assumed that the data has been normally distributed and indeed what is requested is data that is declared normally distributed.

## b. Normal P-P Plot Graph Approach



Normal P-P Plot of Regression Standardized Residual
Dependent Variable: KeputusanPembelian
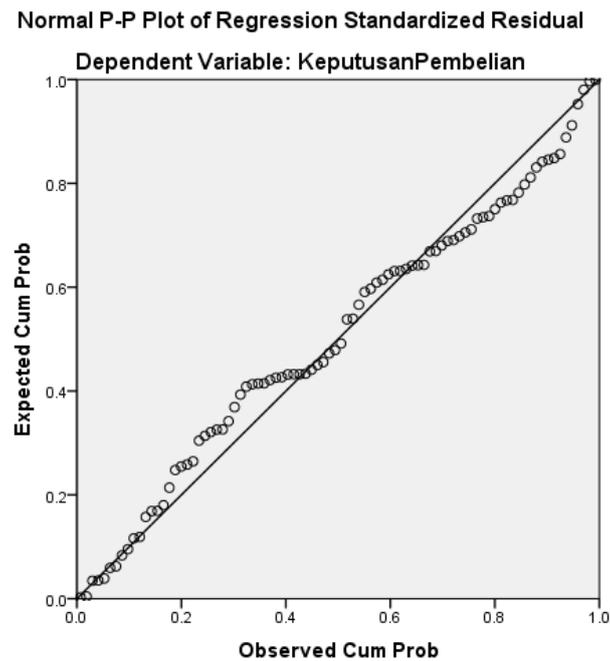
Based on the normal probability plot graph above, it can be seen that the data picture shows a good pattern and the data spreads around the diagonal line and follows the direction of the diagonal line, so the normal probability plot graph is normally distributed.

## 2. Multicollinearity Test

Coefficientsᵃ

| Model | Unstandardized Coefficients | | Standardized Coefficients | | | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|
| | B | Std. Error | Beta | t | Sig. | Tolerance | VIF |
| 1    (Constant) | 3.968 | 5.506 | | .721 | .473 | | |
| Harga | .496 | .139 | .295 | 3.571 | .001 | 1.000 | 1.000 |
| PromotionStrategy | .799 | .116 | .571 | 6.900 | .000 | 1.000 | 1.000 |

a. Dependent Variable: KeputusanPembelian

Because the tolerance value obtained for each variable is greater than 0.10 and the VIF value obtained for each variable is less than 10, it means that the Price and Promotion Strategy variable data is free from multicollinearity symptoms.

## 3. Heteroscedasticity Test

**Scatterplot**
Dependent Variable: KeputusanPembelian
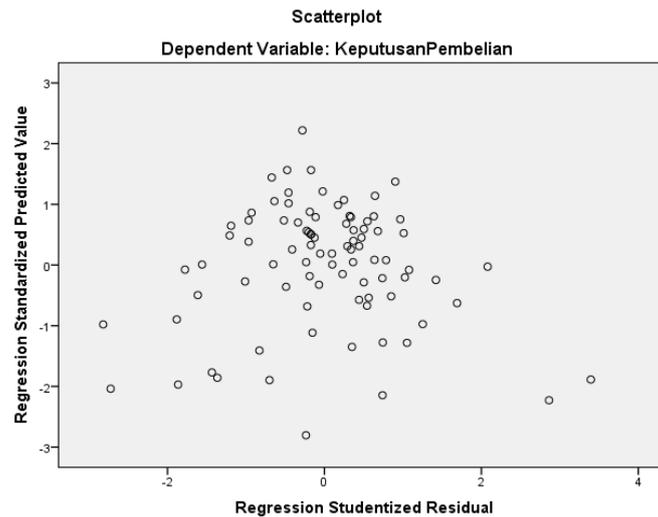
In the scatterplot graph image, it can be seen that the results of the scatterplot graph show that the data is spread randomly and does not form a certain pattern. The data is spread both above and below the number 0 on the Y axis. This indicates that there is no heteroscedasticity.

**Hypothesis Test Results**

**Test t (Partial T)**

To determine the effect of the independent variables Price and Promotion Strategy on the dependent variable, namely Purchasing Decisions, it is necessary to conduct a t test. partial testing can be seen from the t test, if the probability value is <0.05, Ho is rejected, which means there is a significant effect. Partial test results can be seen in the following table:

| | | Coefficients[a] | | | | |
|---|---|---|---|---|---|---|
| | | Unstandardized Coefficients | | Standardized Coefficients | | |
| Model | | B | Std. Error | Beta | t | Sig. |
| 1 | (Constant) | 3.968 | 5.506 | | .721 | .473 |
| | Harga | .496 | .139 | .295 | 3.571 | .001 |
| | PromotionStrategy | .799 | .116 | .571 | 6.900 | .000 |

a. Dependent Variable: KeputusanPembelian

1. Based on the partial test results for the Price variable, it is obtained tcount (3.571) & ttable (1.988) with a significance value of 0.001 & 0.05, so Ho is rejected

and Ha is accepted. This shows that partially there is a significant effect of price on purchasing decisions.

2. Based on the partial test results for the Promotion Strategy variable, it is obtained tcount (6.990) & gt; ttable (1.988) with a significance value of 0.000 & gt; 0.05, then Ho is rejected and Ha is accepted. This shows that partially there is an influence of Promotion Strategy on Purchasing Decisions.

**F test (simultaneous)**

The simultaneous test is used to determine the effect of the independent variables Price and Promotion Strategy on the dependent variable, namely Purchasing Decisions. Based on testing with SPSS version 23, the ANOVA output is obtained in the following table:

**ANOVA[a]**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| 1    Regression | 2773.701 | 2 | 1386.850 | 30.598 | .000[b] |
|      Residual | 3852.617 | 85 | 45.325 | | |
|      Total | 6626.318 | 87 | | | |

a. Dependent Variable: KeputusanPembelian
b. Predictors: (Constant), PromotionStrategy, Harga

From the ANOVA test or F test, the value of Fcount (30.598) &gt; Ftable (3.10) with a significance level of 0.000. Because the significant probability is much smaller than 0.05 then Ho is rejected and Ha is accepted. This shows that simultaneously which states that there is a significant effect of Price and Promotion Strategy together on Purchasing Decisions.

**Test Coefficient of Determination (R2)**

**Model Summary[b]**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .647[a] | .419 | .405 | 6.732 |

a. Predictors: (Constant), PromotionStrategy, Harga
b. Dependent Variable: KeputusanPembelian

Based on the table above, it can be seen that the Adjusted R Square value is 0.405 or 40.5%, which means that there is a relationship between Price and Promotion Strategy on Purchasing Decisions, while the rest is influenced by other variables outside of this regression equation or variables not examined.

### A. The effect of price on purchasing decisions

There is a positive effect of the price variable on the purchase decision shown and the price variable obtained tcount (3.571) > ttable (1.988) with a significance value of 0.001 < 0.05. With a relationship like this, it means that most or the majority of every purchase decision made by buyers or consumers is seen and determined by the price value of the goods.

Price is one of the main factors that influence consumers in making purchasing decisions. In this study, many respondents agreed that Oppo offers better features at competitive prices. This is reflected in the questionnaire results, where 35 people (39.8%) strongly agree that they chose Oppo because it offers superior features at a competitive price.

Competitive pricing creates a good "value for money" perception in the eyes of consumers. Oppo has managed to build traction by providing products that have superior specifications, such as high-quality cameras and long-lasting batteries, within an affordable price range.

However, there are still aspects of price that need attention. Based on the questionnaire results, several respondents disagreed that Oppo's price was in accordance with quality expectations. This indicates a perception that the price offered by Oppo is still not fully proportional to the benefits provided. Therefore, Oppo can increase price transparency and highlight product advantages in its marketing strategy so that consumers are more confident in their purchasing decisions.

The results of this study are in line with research (Beni Indrawan, 2019) entitled the effect of brand image, product quality, and price on purchasing decisions for brick products at the metropolitan city brick shop in Pekanbaru which also found that price has a significant effect on purchasing decisions with a t value of 3.404 > 1.673 and a significant value of 0.001 < 0.05.

### B.  The influence of Promotion Strategy on Purchasing Decisions

There is a positive influence of the Promotion Strategy variable on Purchasing Decisions which is shown and the Promotion Strategy variable obtained tcount (6.990) > ttable (1.988) with a significance value of 0.000 < 0.05.

Consumers are more likely to buy products that they often see or hear about through various promotional media. In this study, 40 people (46.6%) agreed that Oppo salespeople provide clear and complete information about products. This indicates that the marketing strategy through product education is quite effective in increasing consumer confidence.

An effective promotional strategy can increase buying interest by creating a perception of need and urgency in the minds of consumers. Oppo has utilized various media such as television advertisements, social media, and promotions in retail stores to introduce its products to potential buyers.

owever, there are weaknesses in Oppo's promotional strategy. Based on the questionnaire results, 43 people (48.9%) disagree that discounts and special offers from Oppo attract them to buy. This shows that the discount or promotion program offered is not attractive enough or in accordance with consumer expectations. Oppo needs to adjust its promotional strategy by providing more attractive incentives, such as cashback, light installment programs, or bundling with additional accessories.

This research is in line with previous research by (Djoko Lesmana Radji, Sagita Kasim, 2020) with the results of the study obtained tcount (10.049) > ttable (1.668) with a significance value of 0.000 < 0.05. Thus it can be concluded that a good promotional strategy indicator will accelerate or increase consumer desire to make purchasing decisions.


### C.  The Effect of Price and Promotion Strategy on Purchasing Decisions

Tests conducted simultaneously show that the variables of the Effect of Price and Promotion Strategy on Purchasing Decisions with a value of Fhitung (30.598) > Ftabel (3.10) with a significance level of 0.000.

Consumers not only consider price but also how the product is marketed. Even though Oppo's price is quite competitive, if the promotional strategy is ineffective, consumers can switch to other brands that offer more attractive incentives.

The combination of an appropriate price and an attractive promotional strategy will increase Oppo's competitiveness in the market. The questionnaire results show that Oppo salespeople are less professional and friendly in serving customers (43 people or 48.9% disagree). This shows that the customer service aspect is still an obstacle in attracting more buyers. To overcome this, Oppo needs to increase training for salespeople to be more communicative and provide a more positive experience to consumers.

In addition, Oppo can also focus more on loyalty-based promotional strategies, such as membership programs or reward points for loyal customers, in order to maintain its market share in the midst of increasingly fierce competition in the smartphone industry.

This research is in line with research (Dinal Rahmat Alam, Hismi Hismi, Sahrul Sahrul, &amp; Riki Gana Suyatna. 2023) entitled the effect of price and promotion strategy on consumer purchasing decisions at the Alaina cigarette company inulungagung with the results of the study obtained fhitung (176.970) &gt; ftabel (3.16) with a significance value of 0.000 &lt; 0.05. Thus it can be concluded that there is a relationship between price and promotion strategy on purchasing decisions.

## V. CONCLUSION AND SUGGESTION

Based on the data obtained in research on Price and Promotion Strategy on Purchasing Decisions. Respondents in this study were 88 respondents, then they were analyzed, so it was concluded as follows:

1. Price passively has a positive and significant effect on the decision to purchase an oppo smartphone in the village of Ujung Teran, tigalingga sub-district, dairi district

2. Promotion Strategy passively has a positive and significant effect on the decision to purchase an oppo smartphone in the village of Ujung Teran, tigalingga sub-district, dairi district

3. Price and Promotion Strategy passively have a positive and significant effect on the decision to purchase an oppo smartphone in the village of Ujung Teran, tigalingga sub-district, dairi district.

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