

## **PENATAPAN EFFECT OF PRICE AND QUALITY PRODUCT TO THE CONSUMER INTEREST (CASE STUDY SUPER MARKET LEADER DILI IN EAST TIMOR)**

**Manuela Da Costa Smith<sup>1</sup>, João da Costa Freitas<sup>2</sup>, Delia, I, M, De, Araujo<sup>3</sup>**

Faculty of Economics, Banking Department, Univesidade Da Paz  
TIMOR LESTE

**Email** : boscojhonnie@gmail.com

### **ABSTRACT**

*The influence of the pricing and quality of product to consumer mianat, study is a survey research, whereas the population used is 50 people, because the population in this study a little so the sampling technique can not be known. The analytical tool used in this paper adalalah multiple linear regression. T test results showed that variable pricing or product quality simultaneously together have a positive and significant impact terh adap consumer interest nilaiThitung of variable pricing (X1) is 4,564 with signficance level of 0.000 and nilaiTtable which amounted to 2.0086 or Thitung> ttable at 95% confidence level and standard error of 2.5%. Based on the above results dap at concluded that, pricing positive influence on consumer interest, and the value of the variable product quality Thitung (X2) sebesar4.125 with signifk level analysis for 0000 which dannilai Ttabel sebesar2,0086 or Thitung> Ttabel at 95% confidence level among error 2.5%. Based on the above results can disimpulka n that affect product quality and significant posetif against consumer interest. While the contribution of variable pricing X1 and X2 as the product kualit 0962 or 96.2% and then the rest (96.2% of 100) = 3.8% influenced by other variables outside the existing model.*

**Keywords:** Penetapan Price and Quality Products Against MinatKonsumen.

### **INTRODUCTION**

Each company should be able to make a proper marketing strategy and can make a plan to be able to compete in the present and future. And it should refer to the "Consumer Oriented" is to learn everything connected with consumers. Because the consumer is the central point of attention for marketers, that means marketers must be consumer-oriented. Consumer behavior affect the company's survival as an institution that seeks to meet the needs and desires (needs and wants). Marketers need to know, understand and appreciate the nature, habits and the factors that influence the decision of consumers to choose a product or service is purchased, because without them the company would not know what can be marketed to meet the wishes of consumers, one of which is associated with the consumer is behavior.

Consumer shopping behavior is not a matter kecil.Pemasar itself is basically held on the main focus in marketing is that marketing must understand the customer first and second marketing

must admit that at the present time, the number of products offered are more than the product demanded by consumers, This of course will lead to competition in similar companies.

While companies are able to compete is a company whose products or services can be received konsumen. Padahal purpose of a business is to create and maintain their own consumer marketer should be able to consumers on consumer perusahaan. Karena very influential on the company's survival.

Thus the knowledge of the consumer is very important to be able to achieve its goals. And each company will be competing with each other in developing and improving its marketing strategy in order to create and then maintain the customer. All companies would want to get the company's profits come from satisfied customers and make repeat purchases, but instead if consumers are disappointed then automatically he will leave the company, which will result in decreased profitability.

At a company engaged in the marketing of services is also necessary strategies to increase competitiveness among similar companies. One way to increase competitiveness itself is to improve the quality of service. Because of the expected quality of service (service quality) is good then the customer or consumer satisfaction will be achieved. stated that customer satisfaction is an after-purchase evaluation after the selected alternative at least give the same result or exceed the expectations of customers pelanggan. Kepuasan the level of one's feelings after comparing the performance or results to his expectations Customer satisfaction occurs when expectations are met and otherwise dissatisfaction will occur when expectations not fulfilled.

In contrast to products, consumers' assessment of the quality of a service ministry occurs during the process of delivering these services. Any contact that occurs between the service provider to the consumer is a picture of something "moment of truth" is an opportunity to satisfy or not satisfy consumers. In providing quality service for users of these services, a company needs to conduct planning programs, such as speed of service, quality, pricing standards and hospitality in serving customers.

Pricing is a function of proximity between consumer expectations of product performance perceived So satisfaction is the perceived difference of hasilhasil with expectations. are estimates or beliefs about what customers would receive if he buys or consumes a product or service while the perceived performance is the customers' perception of what he received after consuming products or services that have been purchased conceptually.

One way to distinguish a service company with other service companies are providing service with higher quality than competitors consistently. If the service received as expected, then the good perceived service quality and service received memuaskan. Jika exceed customer expectations, perceived service quality is ideal, otherwise if accepted lower expected, perceived poor.

Super market as the creation of innovative and different image compared with persainganya innovative creation must be in accordance with the wishes of consumers and should be ahead of competitors meanings as should provide maid of value, because the supply price of goods bervariasi complete and relatively cheap price is not necessarily provide satisfaction for consumers.

## **LITERATURE REVIEW**

### **Price fixing**

Saladin definition of price (2003: 95) is the "sum of money as a medium of exchange to acquire products or services. Prices can also be said of determining the value of a product in the minds of consumers ", or pricing is a" decision - a decision on the price set by the management ". Buchari alma (2005: 170) pricing is the" decision on the prices that will be followed for a certain period".

Swastha (1998: 241) price is the amount of money (plus some stuff that might be) required to obtain a number of combinations of goods along Services. Swastha, (2005: 241), stating that pricing is the amount of money (plus a few products that may be) required to obtain a combination of products and services. In preparing the policy establishment, the company followed a six-stage procedure pricing that Kotler (2002: 550); (1) companies choose go pricing, (2) the company expects the demand curve, the profitability of the quantity that will be sold at every possibility, (3) the company estimate how costs vary in the level of production and at various levels of accumulated experience production, (4) companies analyzed costs, pricing and competitors' bids, (5) the company selects pricing method, and (6) the company chose the final price

Tjiptono, (1995: 118), stating that pricing is the only element that marketing mix which provide income or opinions for the company, while the other three elements (products, distribution, and promotion) causes costs (expenses). Besides, the price is an element of the marketing mix that is flexible, meaning it can be changed quickly.

### **Purpose Pricing**

Tjiptono (1995: 120-22) states the purpose of pricing there are basically four types: (1) The profit-oriented, (2) a volume-oriented, (3) oriented in the image, (4) stabilization of prices, and (5) other purposes.

### **Pricing Methods**

Pricing method that is included in the demand-based pricing methods, Fandy Tjiptono (2000: 157), namely; (1) kkimming pricing, (2) penetration pricing, (3) prestige pricing, (4) price lining, (5) old-even pricing, (6) demand - backward pringing, and (7) bundle pringing

### **Determination of the Consumer Price Index**

The consumer price index is a statistical measure that can indicate changes in commodity prices, and demanded by consumers over time. Determination of the index will be weighed as well as with an index that is not in equilibrium. In determining consumer prices, among others: (1) the government's policy with regard to economic policy monetary policy trade abroad, (2) the pricing policy set by the government, (3) the amount of consumer demand for commodities, (4) increase in people's income, (5) product costs incurred by producers, and (6) the value of currencies compared with the exchange rate.

### **Product quality**

Kotler (2009) product is anything that can be offered to the market to get some attention, purchased, used, or consumed which can satisfy the desires or kebutuhan. Secara conceptual products is subjective understanding of the top manufacturers something to offer as an attempt to achieve organizational goals through fulfillment needs and activities of consumers, in accordance with the competence and capacity of the organization as well as the purchasing power of the market. Kotler and Keller (2008), the product is a key element in the overall product offer market. In addition can also be defined as consumer perceptions described by the producers through their production (Tjiptono, 2008).

Crosby (1979), the quality of products are products that comply with the required or distandarkan. Suatu product quality in accordance with our standard of quality that has ditentukan. Juran (1993) the quality of the product is user suitability of products to meet customer needs and satisfaction. Deming (1982) the quality of the product is conformity of products with the needs of the market or the consumer. Companies must really understand what it takes consumers on a product that will be generated. Felgenbaum (1986) the quality of the product is a product that is in accordance with what is expected of consumers, Garvin (1988) the

quality of the product is a dynamic condition associated with products, human or labor, and environmental processes that comply with or exceed the expectations of customers or consumers.

### **Dimensions Product Quality**

According to David Garvin in Tjiptono (1997), to determine the dimensions of the quality of the products obtained through the five dimensions as follows:

1. Performance, this is related to the functional aspects of a product and is considered the main characteristics of customers in purchasing the goods.
2. Features, namely the aspect of performance that is useful to add to the basic functions, relating to the selection of products and development.
3. Reliability, matters relating to the profitability or the possibility of successfully carrying out its function of an item each time it is used within a certain time period and under certain conditions as well.
4. Conformance, this is related to the level of conformance to specifications predetermined by the customer's wishes.
5. Durability, which is a reflection of economic life such as the size of the durability or lifetime of the item.

Naser et al. (1999) in Wijayanti (2008) says that `highly dependent on how the level of quality of products offered, but unfortunately in this study noted that there is a lack of attention between the quality of the products with the company's services. This study shows that the product attributes affect consumer satisfaction.

Selnes (1993) showed that the product performance as perceived influence .Mital et al. (1998) also showed that the differentiation of the benefits of the product has the potential to improve consumer satisfaction.

### **Consumer Interests**

Taylor in Wiranugraha, (2004: 26) interest is the stage of the tendency of consumers to act before a buying decision really dilaksanakan.terdapat difference between the actual purchase and purchase interest. If the actual purchase is actually made purchases by consumers, the interest in the purchase, it is of interest to make a purchase on the next occasion.

Simamora (2002: 131), suggests consumer interest is something that is personal and relates to attitudes, individuals that are interested in an object and have the strength or the urge to do a series of behavior to approach or get the object. Kotler (1999 ;: 18), promoted to that consumer interests are affected four factor-factor, namely: (1) culture, sub-culture and economy class, (2) social, (3) private, (4) psychological.

Crites (Lidyawate, 1998) menjelaskan that there are several factors that affect interest, namely: (1) differences in employment, (2) socio-economic differences, (3) the difference hobby, (4) differences in gender, and (5) age difference.

### **Characteristic Consumer Interests**

Rosen (1987: 29), describes the tendency of a person shows interest in a product or service can be viewed based on characteristics:

1. The willingness to seek information on a product or service which the consumer has an interest, have a tendency to look for more detailed information about products or services, with the aim to find out exactly how the specifications of the products or services that use the products or services.
2. Willingness to pay for goods or services consumers who have an interest in a product or service can be seen from the sacrifices made for goods or services, consumers tend to have

more interest for a product or service will be willing to pay for goods and services with the purpose of consumers who are interested can use the goods or services.

3. Telling a positive thing consumers who have a great interest in a product or service, if another customer asked, then automatically the consumer will tell positively to other consumers, because consumers who have an interest in explicitly, have a desire and confidence in the goods or services used.
4. The tendency to recommend consumers who have a great interest in an item, but will tell a positive thing, consumers will also recommend to others to also use the goods or services, because a person who has a great interest in a product or will tend to have positive thoughts for goods or services.

## **RESEARCH METHODS**

### **Population**

Sugiyono (1997: 57), the population is a generalization region consisting of the object or subject into a certain quantity and characteristics defined by the researchers to be learned and conclusions drawn lines, the population in this study is the consumer who is not known for certain.

### **Samples**

Suharsimi Arikunto (1998: 117), the sample is a part of the population studied or taken as a source of data and can represent the entire population.

### **Test Validity**

Validity to know how far the instrument used is valid for what should be measured. (Supramono and Harianto 2003). Techniques used in the test of validity is 0.30. Ketarandalan test indicates the extent to which a relatively consistent measurement results if repeated several times,  $df = nk = 5\%$ . An instrument is said when the validity of the test results greater than 0.30.

### **Test Reliability**

Reliability test as a tool for measuring a questionnaire which is an indicator of variables or constructs. A questionnaire said to be reliable or reliable if someone answers to questions are consistent or stable from time to time (Faith Ghajali, 2005). How to calculate the level of reliability of the data is by using Cronbach alpha ( $\alpha$ ). A question is said to be reliable if these questions can provide precise results. A question is said to be reliable if it has  $\alpha > 0.60$  (Faith Ghajali, 2005).

## **RESULT AND DISCUSSION**

### **Multiple Linear Regression Analysis**

Conducted to determine the results of the analysis of pricing as an independent variable (X1) and product quality as the independent variable (X2) to variable interest consumers as the dependent variable (Y).

Multiple linear regression calculation results as follows:

$$Y = 3,803 + 0.426 X1 + 0.410 X2.$$

Description:

- $a = 3,803$  means that the average yield of interest consumers before, influenced by the pricing and quality of the product has a fixed value (value constant) of 3803 at a rate of 38.03% per unit

- $b_1 = 0.426$  is the regression coefficient of the pricing (X1) means that any change regarding pricing increase consumer interest (Y) of 0.426, or 42.6% assuming that the quality of the waiter (x2) is constant.
- $b_2 = 0.410$  is the regression coefficient of the quality of the product (X2) means that any change regarding the quality of the product, can affect consumer interest (Y) of 0.410 or 41% on the assumption that pricing (x1) is constant.

#### Correlation coefficient

SPSS output of the results showed that, the results for 0962 R<sup>2</sup> effect, this means the variable interest of consumers is influenced by both the independent variable, that variable pricing (X1) and product quality (X2), of 0962, or 96.2%. While the rest (100% -96.2%) = 3.8% influenced by other variables outside of the existing models.

Calculated F value of 35. tingkat with probability (sig) 0.000. Nilai sig <0.05, then consumer interest is Ho rejected and Ha accepted, pricing and quality products together have an influence on consumer interest.

Conducted to determine the results of the analysis of the pricing (X1) and product quality (X2) simultaneously on the influence of interest Konssumen (Y)

Based on the calculation that the pricing (X1) and product quality (X2) simultaneously (together) has a positive and significant effect on the interests of consumers (Y), value = 35 226 with level singnifikan 0.000 <0.05. That is the pricing ( X1 ) and product quality ( X2 ) together (simultaneously ) positive and significant impact on consumer interest ( Y ) .

## CONCLUSION AND SUGGESTION

### Conclusion

Based on the results of data processing that has been done in the previous chapter, it produced some of the research findings as follows:

- 1 Pricing (X1) which measured consumer interest (Y) has a positive and significant effect on the interests of consumers with high and low interest so consumers can be influenced by pricing. The influence of the pricing of the interest of consumers by 4564 to the level of 0000. Pursuant signifikaan findings of this study can be concluded that there posetif influence the pricing of the interest of consumers
2. kaulitas product (X2) as measured by the interest of consumer interest (Y) has a positive and significant effect on consumer interest thus consumer interest can dipengaruhi by consumer interest in product quality by 4125 with a significant level of 0.000. Based on the findings of this study can be concluded that there is pesetif influence product quality to consumer interest in posetif.
3. Simultaneously pricing (X1) and quality (X2) together berpengaruh posetif and significant impact on consumer interest (Y). Based on the findings of this study can be concluded that the hypothesis which says pricing (X1) and product quality (X2) effect posetif and signifikaan against consumer interest. The magnitude of both together influence on consumer interest amounting to 35 226 by 0000 signifikaan level. While the value of the model summary shows the influence between the two variables provide value by 0962, or 96.2%, while the rest (100 - 96.2%) = 3.8% is the influence that comes from taktor factors existing outside. Based on the findings of this study can be concluded that the hypothesis of this study show the influence posetif and signifikaan between variable pricing and quality products to consumers.

### **Suggestion**

The following suggestions are outlined in the exposure implications include theoretical implications. Implications terapan and advanced theoretical implications. Teo ritis implications associated with the effect of research to science. Rapan te implications relating to research the effect of pricing and product quality. While useful for developing further the implications of the subsequent research in order to obtain more extensive information.

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