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# Analysis of Promotion, Price Perception, and Product Quality on Yamaha Motorcycle Purchase Decisions in Bintaro, South Tangerang

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Abstract: The increasing public demand for motorcycles has made the level of competition in the automotive industry, especially motorcycles, increasingly tight. This can be seen from the many motorcycle brands that have emerged to meet the needs of consumers. This study aims to determine "Analysis of Promotion, Price Perception, and Product Quality on Yamaha Motorcycle Purchasing Decisions in Bintaro, South Tangerang". From this study, the independent variables consist of Promotion, Price Perception, and Product Quality, and the dependent variable is Purchase Decisions. The population in this study were consumers who had purchased Yamaha Motorcycles in Bintaro, South Tangerang. The analysis techniques used in this study include the outer model test (Convergent Validity, Discriminant Validity, Composite Reliability, Cronbach's Alpha), the inner model test (R-Square, Goodness of Fit Model) Data were collected by distributing questionnaires to consumers and processed using the Smart PLS 4.0 program. The results of this study are Promotion Accepted has a positive and significant effect on purchasing decisions, Price Perception Accepted has a positive and significant effect on purchasing decisions, and Product Quality Accepted has a positive and significant effect on purchasing decisions.

**Keyword:** Promotion, Price Perception, Product Quality, Purchase Decision, & Yamaha Motorcycle

#### INTRODUCTION

Companies in the automotive sector, especially motorcycles, are currently competing to expand their market share, due to the increasingly rapid progress of the automotive industry in this *modern era*. Companies are required to develop and innovate in developing the right strategy to meet the target their sales. Because in the current conditions, companies are required to implement marketing strategies that are expected to win the competition. As a country with a massive population and a large area, motorbikes are the main choice for Indonesian people in their daily activities. (Iswenda, 2024).

The phenomenon of this research is that with the increasing public demand for motorcycles, the level of competition in the automotive industry, especially motorcycles, is

getting tighter. The increasing number of products with new brands also results in increased competition between motorcycle manufacturers. The current trend in public demand for motorcycles is reflected in the increasing demand for two-wheeled vehicles in various regions. Therefore, motorcycle manufacturers are trying to innovate their products, in order to capture market share and become the consumer's choice so that they can win the competition.

The following is motorcycle sales data for 2019-2023:

Table 1Motorcycle Sales Data in Indonesia 2019-2021

Motorcycle sales in Indonesia.							
No.	Brand	Year					
		2019	2020	2021	2022	2023	
1.	Honda	4,910,688	2,075,861	3,928,788	3,577,329	4,125,226	
2.	Yamaha	1,434,217	957,456	1,063,866	1,543,117	1,073,034	
3.	Kawasaki	69,766	53,238	43,540	62,013	22,990	
4.	Suzuki	71,861	18,838	18,380	12,545	10.011	
'	Total	6,486,532	3,105,393	5,054,592	5,195,004	5,231,261	

Source: Indonesian Motorcycle Industry Association, 2021

By looking at the data in Table 1 above, it can be seen that Yamaha motorcycles always seem to occupy the second position, after Honda motorcycles, even the units sold have a fairly large difference compared to Honda motorcycles, and the data above shows an increase and decrease in Yamaha motorcycle sales, especially in 2020 which experienced a fairly significant decline due to the Covid-19 pandemic. Therefore, the Yamaha Company needs to carry out a strategy or analyze the market to attract the motorcycle market share, so that it can encourage people to decide to buy a Yamaha motorcycle.

The emergence of many new motorcycle automotive industries has forced old companies such as Yamaha to continue to innovate in order to maintain their existence amidst the global competitive climate (Rasyid and Indah, 2018). The flood of two-wheeled automotive products from China and India has increased the tight competition to win the hearts of consumers. Improving and maintaining product quality is still considered a surefire way for companies to increase product value in the eyes of consumers, which will greatly impact purchasing decisions.

#### **METHOD**

In this research process, it begins with the activity of identifying problems at the research location, formulating problems and collecting basic theories to strengthen the foundation of each variable, compiling data collection methods, compiling instruments, to determining the statistical testing techniques to be used. The research time was carried out from May 2023 to August 2024. This research was conducted with Yamaha motorcycle consumers as subjects.

Sugiyono (2016) population is a generalization area of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. Determining the population is an important stage in research because the population can provide useful information or data for a study. The population in this study were consumers who had purchased Yamaha motorcycles in Bintaro, South Tangerang.

The determination of the number of samples is based on the theory of Hair et al. (2014) because the population size is not yet known with certainty. According to Hair et al. (2014) stated that the sample size in SEM analysis depends on the number of parameters estimated where the sample is obtained from 5-10 times the number of parameters estimated.

Number of samples =  $n \times (5-10)$ 

Information:

n = Indicator

5 = Observed variable (Observed variable)

Sample =  $26 \times 5 = 130$  Respondents

So the researcher chose to take a sample of 130 respondents from the Bintaro area of South Tangerang.

## RESULTS AND DISCUSSION

This study aims to analyze the impact of three main factors - Promotion, Price Perception, and Product Quality - on Yamaha Motorcycle Purchase Decisions in Bintaro, South Tangerang. The data collection method relies on a survey in the form of a questionnaire distributed online. The target respondents were set at 130 people, and the entire data collection process was carried out through an online platform. The number of questionnaires successfully distributed was in accordance with the initial target, which was 130 respondents who participated in this study.

**Table 2. Discriminant Validity Results (***Cross Loading***)** 

	Promotion		Product	Purchase
Indicator		Price	Quality	Decision
P1	0.755	0.373	0.382	0.514
P2	0.808	0.479	0.414	0.546
P3	0.747	0.524	0.328	0.596
P4	0.814	0.506	0.412	0.622
PH2	0.500	0.844	0.348	0.594
PH3	0.444	0.756	0.326	0.571
PH4	0.546	0.863	0.431	0.660
PH5	0.491	0.810	0.335	0.555
KPD1	0.277	0.273	0.704	0.385
KPD2	0.416	0.407	0.868	0.588
KPD3	0.391	0.328	0.779	0.502
KPD4	0.405	0.353	0.844	0.558
KPD5	0.368	0.345	0.756	0.498
KPD6	0.442	0.370	0.772	0.555
KP1	0.531	0.486	0.470	0.714
KP2	0.649	0.612	0.518	0.833
KP3	0.576	0.570	0.467	0.797
KP4	0.548	0.549	0.541	0.758
KP5	0.625	0.620	0.576	0.822
KP6	0.575	0.578	0.530	0.751
KP7	0.598	0.541	0.467	0.746
KP9	0.503	0.482	0.435	0.704
KP10	0.408	0.559	0.517	0.745

Source: Researcher's Smart PLS Output, processed (2024)

Based on the data in Table 2, the cross loading value, then the indicator value of the Promotion, Price Perception, Product Quality, and Purchase Decision variables is declared valid because the cross loading value produced is the highest on the intended construct compared to other constructs. It can be concluded that there is no problem in the discriminant validity test through cross loading.

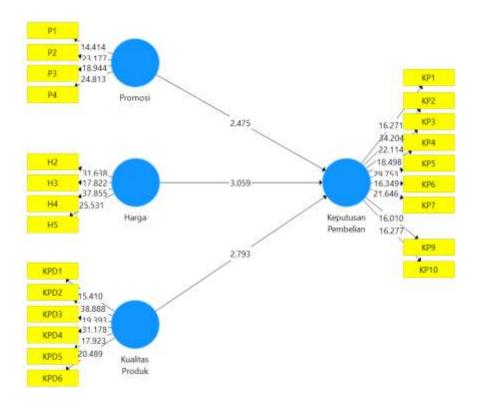
Table 3. Composite Reliability Test Results

Variable	Cronbach's Alpha	<b>Composite Reliability</b>	Information
Promotion	0.787	0.862	Reliable
Price Perception	0.836	0.890	Reliable

Variable	Cronbach's Alpha	Composite Reliability	Information
Product Quality	0.878	0.908	Reliable
Purchase Decision	0.910	0.927	Reliable

Source: Researcher's Smart PLS Output, processed (2024)

Based on Table 3, it can be seen that the results of the *composite reliability* and *Cronbach's alpha tests* show satisfactory values, namely all latent variables have been reliable, because all latent variable values have a *composite reliability value* of more than 0.7 and *Cronbach's alpha* has a value of more than 0.7. So it can be concluded that the questionnaire used as a tool has been reliable and consistent.



**Figure 1. Hypothesis Test Results** (*Bootstrapping*) Source: Researcher's Smart PLS Output, processed (2024)

Table 4. Hypothesis Test Results (Bootstrapping)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values	Information
Promotion → Purchase Decision	0,3467	0,354	0,140	2,475	0,014	Positive and Significant
Price Perception → Purchase Decision	0,376	0,361	0,123	3,059	0,002	Positive and Significant
Product Quality → Purchase Decision	0,323	0,323	0,116	2,793	0,005	Positive and Significant

Source: Researcher's Smart PLS Output, processed (2024)

## 1. The Effect of Promotion on Purchasing Decisions

Based on the hypothesis test in this study, it shows that Promotion has a positive and significant effect on Purchasing Decisions on Yamaha Motorcycles. This is indicated by the original sample value of 0.346 so that it is stated to have a positive effect and has a T statistic value of 2.475 > 1.96 and p *values*. 0.014 < 0.05, and hypothesis 1 in this case is

accepted, which means that promotion is proven to be able to influence the decision to purchase Yamaha motorbikes and the better the promotion carried out by Yamaha, the greater the possibility of consumers deciding to buy the products offered.

## 2. The Influence of Price Perceptions on Purchasing Decisions

Based on the hypothesis test in this study, it shows that price perception has a positive and significant effect on purchasing decisions on Yamaha motorcycles. This is indicated by the original sample value of 0.376 so that it is stated to have a positive effect and has a T statistic value of 3.059 > 1.96 and p *values* 0.002 < 0.05, and hypothesis 2 in this case is accepted, which means that price perception is proven to be able to influence the decision to purchase Yamaha motorbikes and the better the price perception of consumers, the more likely they are to make a purchasing decision.

# 3. The Influence of Product Quality on Purchasing Decisions

Based on the hypothesis test in this study, it shows that Product Quality has a positive and significant effect on Purchasing Decisions on Yamaha Motorcycles. This is indicated by the original sample value of 0.323 so that it is stated to have a positive effect and has a T statistic value of 2.793 > 1.96 and p *values* 0.005 < 0.05, and hypothesis 3 in this case is accepted, which means that product quality is proven to be able to influence purchasing decisions on Yamaha motorcycles and the higher the quality of the product offered, the greater the likelihood of consumers to decide to buy the product.

### **CONCLUSION**

Based on the results of research conducted by the author, the following conclusions can be drawn:

- 1. Promotion has a positive and significant effect on purchasing decisions. This means that the better and more effective the promotion carried out by Yamaha, the more consumers can make decisions to purchase the product.
- 2. Price Perception has a positive and significant effect on Purchasing Decisions. This means that the more positive the consumer's price perception, the more likely they are to make a decision to buy the product.
- 3. Product Quality has a positive and significant effect on Purchasing Decisions. This means that the higher the product quality factor, the more it will be able to increase product purchasing decisions.

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