

## THE EFFECT OF PRODUCT TYPE AND PRICE ON CONSUMER PURCHASE DECISIONS AT PT. BENELLI ANUGERAH HERITAGE MOTORCYCLE IN MEDAN

Melisa Septiani Sitompul<sup>1</sup>, Muhammad Asnawi<sup>2</sup>, Al Firah<sup>3</sup>

<sup>1,2,3</sup>Management Study Program, Faculty of Economics and Business, Dharmawangsa University, Indonesia

Email : [alfirah41@dharmawangsa.ac.id](mailto:alfirah41@dharmawangsa.ac.id)

### ABSTRACT

Every company has an interest in providing information to consumers and offering a variety of product types and the best prices. Price is also one way to increase the number of customers. The purpose of this study is to determine the effect of product type on consumer purchasing decisions at PT. Benelli Anugerah Motor Pusaka in Medan. To determine the effect of price on consumer purchasing decisions at PT. Benelli Anugerah Motor Pusaka in Medan. To determine the effect of product type and price on consumer purchasing decisions at PT. Benelli Anugerah Motor Pusaka in Medan. The data analysis techniques used are validity test, normality test and multiple linear regression. The sample studied was 92 respondents. The results of this study obtained the significance value of product type on purchasing decisions based on the  $t$  test obtained  $t_{count} > t_{table}$  ( $2.024 > 1.661961$ )  $H_0$  is rejected and  $H_a$  is accepted. The conclusion: there is a significant influence of product type on purchasing decisions. From the results of this study, the significance value of price based on the  $t$  test obtained  $t_{count} > t_{table}$  ( $6.778 > 1.661961$ ). The conclusion: then  $H_0$  is rejected and  $H_a$  is accepted, there is a significant influence of price on purchasing decisions. Based on the results of the  $F$  test above, the  $F_{count}$  value  $> F_{table}$  ( $146.319 > 2.36$ ) was obtained, which means that the product type and price variables simultaneously have a real (significant) influence or have a positive influence on the purchasing decision variable.

**Keywords:** Product Type, Price, Purchase Decision

## I. INTRODUCTION

### Research Background

The automotive industry is already attached to the needs of everyday people, especially in Indonesia, automotive is a very superior industry. Therefore, companies engaged in the automotive industry compete with each other to get market share. Each company is interested in providing information to consumers and offering various types of products and the best prices. The type of product can be made like goods in a factory, but

Product types are items in a product line that have a certain form from many possible product forms. In addition, the high and low prices of a product are always the main concern of consumers when they are looking for the products they need, so that the price offered to consumers becomes a special consideration before they decide to buy goods or use a product.

One of the automotive companies that has been established in Indonesia, especially in the city of Medan, is PT. Benelli Anugerah Motor Pusaka in Medan. PT. Benelli Anugerah Motor Pusaka in Medan is a company engaged in the automotive sector and is trusted to market various types of products. Patagonian Eagle Efi is one type of product offered by PT. Benelli Anugerah Motor Pusaka in Medan to be marketed to consumers.

In consumer decision making is greatly influenced by many things such as interest in a type of product and also the price of a product. Consumers will buy products that can satisfy desires not only in physical form but also the benefits and concepts of the product. From that action, a decision will be made, Here the author lists sales data from PT. Benelli Anugerah Motor Pusaka in Medan as follows.

**Benelli Motorcycle Sales Table From 2021-2023**

No	Product Type	2021 Price (Per unit)	2022 Price (Per unit)	Sale		
				2021	2022	2023
1	PatagonianEagle 250cc	Rp. 49,800,000	Rp. 51,165,000	31	21	25
2	PatagonianEagle Efi 250	Rp. 51,650,000	Rp. 53,372,000	25	8	5
3	Motobi 200 Evo	Rp. 37,400,000	Rp. 39,647,000	19	19	15
4	Motobi 200 Efi	Rp. 36,650,000	Rp. 37,639,000	24	26	28
5	Motobi 152	Rp. 26,350,000	Rp. 27,468,000	18	19	22
6	Panarea 125	Rp. 28,460,000	Rp. 29,979,000	11	9	10
<b>Total</b>				<b>126</b>	<b>102</b>	<b>105</b>

Source: PT. Benelli Anugerah Motor Pusaka in Medan

Based on the table above, PT. Benelli Anugerah Motor Pusaka in Medan provides several types of products and prices that are attractive to consumers, the more types of products provided by Benelli, the greater the opportunity to make it an attraction for consumers. This motorcycle dealer offers and sells Benelli motorcycles in Medan City at a fairly high price among the middle class, so that the company is less prominent among middle class consumers to be able to compete with other motorcycle companies.

As shown in the previous table, where sales in 2022 decreased by 24 units from the previous year, the decrease in sales could be due to a significant increase in prices from 2021 to 2022 for all product types. The problem of declining sales was due to consumer complaints about the Patagonian Eagle Efi product type which uses a MAP sensor (Manifold Absolute Pressure).

Based on the background and also the explanation related to the variables above that have been described, a study was conducted to determine the factors that influence consumers in determining purchasing decisions, thus conducting a study entitled "The Influence of Product Type and Price on Consumer Purchasing Decisions at PT. Benelli Anugerah Motor Pusaka in Medan".

### **A. Identification of problems**

1. The Patagonian Eagle Efi product type that uses a MAP sensor is still not optimal for marketing, seen from several consumer complaints about this type.
2. An increase in prices causes a decrease in sales.
3. Benelli purchasing decisions are still influenced by fellow consumers.

### **B. Formulation of the problem**

1. Does product type influence consumer purchasing decisions at PT. Benelli Anugerah Motor Pusaka in Medan?
2. Does price affect consumer purchasing decisions at PT. Benelli Anugerah Motor Pusaka in Medan?
3. Do product type and price simultaneously influence consumer purchasing decisions at PT. Benelli Anugerah Motor Pusaka in Medan?

## **II. LITERATURE REVIEW**

Abdurrahman (2015:71) "Products are all things that can be offered to the market to attract attention, acquisition, use or consumption that can satisfy a desire or need". The type of product is an object that consumers get from a company, which aims to fulfill the needs or desires of consumers.

Tjiptono (2016:134), there are product indicators that will determine the characteristics of a

product, namely as follows:

1. Performance, the product is seen from the main characteristics it has functionally.
2. Features are secondary characteristics that support the performance of the main function.
3. Appropriate Specifications, the intended product conformity is between the characteristics of the quality standards and the design made. These quality standards are usually adjusted again to market or customer needs.
4. Availability of Repair, whether in the form of speed, ease, competence of the person doing the repair, or comfort during access including the consumer's ability to repair it themselves.

#### A. *Price*

Kotler and Armstrong (2016: 324), price the amount of money charged for a product or service, or the sum of the value that customers exchange for the benefits or having or using the product or service. Price is the amount of money spent for a product or service, or the amount of value exchanged by consumers to obtain benefits or ownership or use of a product or service.

Kotler and Armstrong (2018:78), price indicators include:

1. Price Affordability, pricing is determined by the company according to the consumer's purchasing power.
2. Price and Quality Suitability, the pricing carried out by the company is adjusted to the quality of the product that consumers can obtain.
3. Price Matching with Benefits, pricing carried out by companies that is in accordance with the benefits that consumers can obtain from the products they consume.
4. Price Competitiveness, the price offered by a company is different and competitive with that offered by other companies for the same type of product.

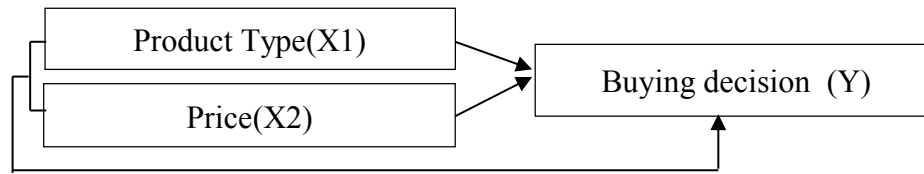
#### B. *Buying decision*

Purchasing decisions are the process of selecting and evaluating various alternative choices according to interests by determining the choice because it is considered more profitable than other alternatives. According to Arafah (2022:5), purchasing decisions are part of consumer behavior. Where, Consumer behavior is an action that is directly involved in efforts, obtaining, determining products and services, including decision-making that precedes and follows these actions. Decision-making is an individual activity that is directly involved in obtaining and using the goods offered.

Arthur A. Thomson (2016:57) there are 4 indicators in purchasing decisions, namely as follows:

1. According to Needs, consumers purchase a product because the product offered is in accordance with what the consumer needs and it is also easy to obtain the goods that the consumer needs.
2. Having Benefits, the products purchased by consumers are very meaningful and have benefits for consumers.
3. Accuracy in Purchasing Products, the price offered for the product is in accordance with the quality of the product and in accordance with consumer needs.
4. Repeat Purchase. a condition where consumers feel satisfied with the products previously purchased so that consumers intend to always make purchases in the future.

### Thinking Framework Image



### C. Hypothesis

H<sub>0</sub>: Product type does not have a positive and significant effect on consumer purchasing decisions at PT. Benelli Anugerah Motor Pusaka in Medan

H<sub>1</sub>: Product type has a positive and significant influence on consumer purchasing decisions at PT. Benelli Anugerah Motor Pusaka in Medan

H<sub>0</sub>: Price does not have a positive and significant effect on consumer purchasing decisions at PT. Benelli Anugerah Motor Pusaka in Medan

H<sub>2</sub>: Price has a positive and significant effect on consumer purchasing decisions at PT. Benelli Anugerah Motor Pusaka in Medan

H<sub>0</sub>: Product type and price do not have a positive and significant effect on consumer purchasing decisions at PT. Benelli Anugerah Motor Pusaka in Medan

H<sub>3</sub>: Product type and price have a positive and significant influence on consumer purchasing decisions at PT. Benelli Anugerah Motor Pusaka in Medan.

### III. RESEARCH METHODOLOGY

This research was conducted at PT. Benelli Anugerah Motor Pusaka in Medan, located at Jl. Setia Budi No. 71D-E, Tj.Rejo Village, Medan Sunggal District, Medan City, North Sumatra 20154.

According to Sugiyono (2018:130) Population is a generation area consisting of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. The population taken by researchers is 1,080 consumers. According to Suharsimi Arikunto (2018:131), "Sample is part of the number and characteristics possessed by the population". Based on the Slovin formula, the number of samples representing the population of this study is:

$$n = \frac{N}{1 + \frac{N \cdot e^2}{k^2}}$$

$$1 + \frac{N \cdot e^2}{k^2}$$

Wherein :

N = sample size

N = population size

e = percentage of tolerance for inaccuracy due to sampling error that is still tolerable/desirable. Inaccuracy due to sampling error (10% : 0.1).

The number of samples is:

$$n = 1080 = 91.52 \text{ (rounded to 92 respondents)}$$

$$1 + 1080(0,1)^2$$

Data Collection Methods: questionnaire, interview, observation, documentation.

Data Analysis Techniques: data validity and reliability tests, classical assumption tests (normality tests, multicollinearity tests, heteroscedasticity tests), hypothesis testing (multiple linear regression, F test, t test, determination test)

**Operational Definition Table of Variables**

No	Variables	Definition	Indicator	Scale
1	Product Type (X1)	anything that can be offered to a market to attract attention, acquisition, consumption, or satisfaction of a want/need. Abdurrahman (2015:71)	1. Performance 2. Feature 3. Specification 4. Availability of fixes Fandy Tjiptono (2016:134)	Likert
2	Price (X2)	the amount of money spent on a product or service to obtain benefits products or services. Kotler & Armstrong (2016: 324)	1. Affordability 2. Price and quality match 3. Price match with benefits 4. Price competitiveness Kotler and Armstrong (2018:78)	Likert
3	Purchase Decision (Y)	Decision consumers are influenced by the economy finance, technology, politics, culture, products, prices, locations, promotions, people processes. Alma Buchari (2016:96)	1. According to the needs 2. Benefit 3. Accuracy 4. Repeat Purchase Arthur A. Thomson (2016:57)	Likert

#### IV. RESULT AND DISCUSSION

**Product Type Validity Test Results Table (X<sub>1</sub>)**

No	Statement	R <sub>Count</sub>	R <sub>Table</sub>	Note
1	Employee work quality meets SOP standards	0.694	0.1726	Valid
2	Employee performance dominates the field of work	0.717	0.1726	Valid
3	I am satisfied with the product type display variants	0.831	0.1726	Valid
4	I feel the body of the Benelli motorbike is eye-catching	0.740	0.1726	Valid
5	I am comfortable when using a Benelli motorbike	0.840	0.1726	Valid
6	Color what Benelli offers lives up to expectations	0.799	0.1726	Valid
7	Ability workshop in gives service as presented.	0.750	0.1726	Valid
8	The workshop provides a guarantee for servicing customer vehicles within a specified time period.	0.792	0.1726	Valid

Source: Processed Data, 2024.

From the probability results above, it can be seen that statement items 1 to 8 of the Product Type variable are declared valid because the Total Correlation value is > 0.1726.

**Service Validity Test Results Table (X<sub>2</sub>)**

No	Statement	R <sub>Count</sub>	R <sub>Table</sub>	Note
1	Price Which offered Benelli very affordable	0.748	0.1726	Valid
2	The prices offered are in accordance with consumer purchasing power	0.688	0.1726	Valid
3	The price offered by Benelli is in accordance with the quality of the product	0.883	0.1726	Valid
4	Information price can understood and understood.	0.791	0.1726	Valid
5	The price of Benelli products is in accordance with the good benefits.	0.839	0.1726	Valid
6	Price and product have good benefits	0.867	0.1726	Valid
7	I bought Benelli products because they provide a choice of product types at various prices.	0.840	0.1726	Valid
8	I bought Benelli products because the price matches the quality of the product presented.	0.907	0.1726	Valid

Source: Processed Data, 2024.

From the probability results above, it can be seen that statement items 1 to 8 of the price variable are declared valid because the Total Correlation value is  $> 0.1726$ .

**Passenger Satisfaction Validity Test Results Table (Y)**

No	Statement	R <sub>Count</sub>	R <sub>Table</sub>	Note
1	Ibuy Benelli products because of need	0.701	0.1726	Valid
2	I bought Benelli products because of the style.	0.550	0.1726	Valid
3	I feel satisfied buying Benell products	0.782	0.1726	Valid
4	Benelli follows current trends.	0.692	0.1726	Valid
5	BuyBenelli products based on preferences	0.682	0.1726	Valid
6	Buying productsBenelli based on other people's experiences	0.685	0.1726	Valid
7	I have never been disappointed after purchasing a Benelli product.	0.757	0.1726	Valid
8	I will purchase Benelli products repeatedly	0.747	0.1726	Valid

Source: Processed Data, 2024.

From the probability results above, it can be seen that statement items 1 to 8 of the purchasing decision variable are declared valid because the Total Correlation value is  $> 0.1726$ .

**Reliability Test Results Table**

Variables	Item	Cronbach Alpha	Rtable	Conclusion
Product type (X1)	8	0.933	0.60	Reliable
Price (X2)	8	0.951	0.60	Reliable
Purchase Decision (Y)	8	0.902	0.60	Reliable

Source: Processed Data, 2024.

The results of the reliability test show that all variables have a Cronbach's alpha value  $> 0.60$

so it can be concluded that all statement items from the product type, price and purchasing decision questionnaires are declared reliable, which means that the questionnaire is suitable for use as a measuring tool.

**Multicollinearity Test Results Table**  
**Coefficientsa**

Unstandardized Coefficients			Std Coeff	t	Sig.	Coll Statistics		
Model	B	Std. Error	Beta			Toll	VIF	
1	(Constant)	-1.112	1,920		-.579	.564		
	X1	.225	.111	.206	2,024	.046	.252	3.967
	X2	.750	.111	.691	6,778	.000	.252	3.967

a. Dependent Variable: Y

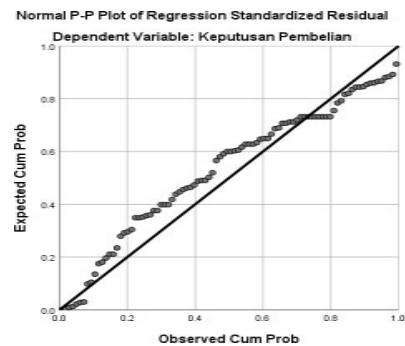
Source: Data Processed by SPSS version 26, 2024

The results of the multicollinearity test show a tolerance value  $<0.10$  and a VIF value  $<10$  for the research variables of product type and price, this indicates that there is no multicollinearity in the regression model so that the data is said to be good and can be used for further testing.

**Normal P-Plot Image**

In the image on the side, the Normal P-Plot shows that the data distribution tends to approach the normal distribution line, the data distribution is not spread to the left or not spread to the right, meaning that the data has a pattern like a normal distribution, meaning that the data is suitable to be used as material in research.

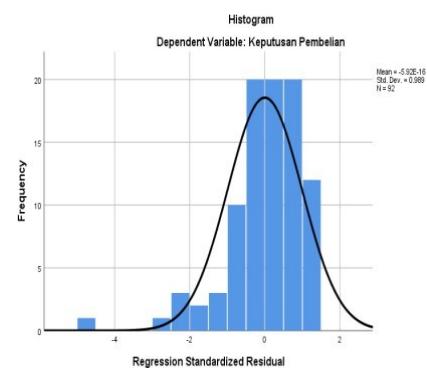
Source: Processed Data, 2024



**Histogram Image**

From the histogram graph on the side, it is known that the resulting points form a certain graphic pattern, the distribution of data forms a graph that has the highest point on the zero vertical line. The results of this test indicate that this regression model is free from heteroscedasticity problems, in other words: the variables to be tested in this study are homoscedastic.

Source: Processed Data (2024)



**Multiple Linear Regression Results Table**  
**Coefficientsa**

Model	Unstandardized Coefficients			Standardized Coefficients	t	Sig.
	B	Std. Error	Beta			
1	(Constant)	-1.112	1,920		-.579	.564
	Product Type	.225	.111	.206	2,024	.046
	Price	.750	.111	.691	6,778	.000

a. Dependent Variable: Purchasing Decision

Source: Data Processed by SPSS version 26, 2024

Positive relationship between product type (X1) and price (X2) on purchasing decisions (Y) can also be seen from the magnitude of the intercept obtained from the calculation results using the SPSS 26.0 tool, the magnitude of the constant  $a = -1.112$  and  $b_{x1} = 0.225$  and  $b_{x2} = 0.750$ . From the magnitude of the  $a$  and  $b_{x1}$  values, they are then entered into the multiple regression equation as follows:

$$Y = -1.112 + 0.225 X_1 + 0.750 X_2$$

Information:

Y = Purchase Decision

A = Constant

X1= Product Type

X2= Price

Explanation :

- a. -1.112 shows that the quality of the consumer loyalty variable has not been influenced by other variables, namely the product type variable (x1) and price (x2). If there is no independent variable, the consumer loyalty variable does not change.
- b. 0.225 shows that if the product type variable has a positive influence on purchasing decisions, it means that each increase in each unit of the product type variable will influence purchasing decisions by 0.225, assuming that other variables are not examined in this study.
- c. 0.794 shows that if the price variable has a positive influence on purchasing decisions, it means that each increase in each unit of the price variable will influence purchasing decisions by 0.794, assuming that other variables are not examined in this study.

**F Test Output Results Table**  
ANOVA

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3441.133	2	1720.567	146,319	.000b
	Residual	1046,552	90	11,759		
	Total	4487.685	92			

a. Dependent Variable: Purchase Decision

b. Predictors: (Constant), Price, Product Type

Based on Table 4.13, the F value is known  $F_{count} = 146.319$ . F value  $F_{count}$  then compared to  $F_{table}$  with the number  $n = 92$  based on the error rate  $\alpha = 0.10$ , F was obtained  $F_{table}$  is 2.36. From the results presented, it is known that  $146.319 > 2.36$ , then  $H_0$  is rejected and  $H_a$  is accepted, then the product type and price variables simultaneously have a real (significant) influence or a positive influence on the purchasing decision variable.

## DISCUSSION

A. *The Influence of Product Type on Consumer Purchasing Decisions at PT. Benelli Anugerah Motor Pusaka in Medan.*

Based on the results of the partial hypothesis test data analysis, the t value was obtained  $t_{count}$  product variable of 2,024 which is then compared with the  $t_{table}$  value (1.661961), it is known that  $t_{count} > t_{table}$ , namely  $2,024 > 1.661961$ , then  $H_0$  is rejected and  $H_1$  is accepted, which means that the product type has a significant influence on consumer purchasing decisions at PT. Benelli Anugerah Motor Pusakan in Medan.

B. *The Influence of Price on Consumer Purchasing Decisions at PT. Benelli Anugerah*



### *Motor Pusaka in Medan.*

Based on the results of the partial hypothesis test data analysis, the t value was obtained  $t_{count}$  price variable of 6,778 which is then compared with the t value  $t_{table}$  (1.661961), it is known that  $t_{count} > t_{table}$  namely  $6.778 > 1.661961$  then  $H_0$  is rejected and  $H_2$  is accepted, which means that price has a positive and significant influence on the purchasing decision of PT. Benelli Anugerah Motor Pusakan in Medan.

### *C. The Influence of Product Type and Price on Consumer Purchasing Decisions at PT. Benelli Anugerah Motor Pusaka in Medan.*

Based on the results of the simultaneous hypothesis test data analysis, the Fcount value = 146.319 was obtained, while the Ftable value at  $\alpha = 0.10$  with  $n = 92$  obtained the Ftable value of 2.36 from these results it is known that  $F_{count} > F_{table}$ , which is  $146.319 > 2.36$  so the position of the significance test point is in the  $H_0$  rejection area or it can be concluded that  $H_3$  is accepted, which means that the type of product and price together have a positive and significant effect on purchasing decisions at PT. Benelli Anugerah Motor Pusakan in Medan.

## **V. CONCLUSION**

1. There is a partial influence of product type on purchasing decisions at PT. Benelli Anugerah Motor Pusakan in Medan. This is known by the t value  $t_{count}$  variable advertisement of 2,024 compared to 1.661961, then  $2,024 > 1.661961$ , which means that the product type variable has a real (significant) influence on the purchasing decision variable.
2. There is a partial influence of price on purchasing decisions at PT. Benelli Anugerah Motor Pusakan in Medan, this is known by the t value  $t_{count}$  sales promotion variable of 6,778 compared to  $t_{table}$  is 1.661961 then  $6.778 > 1.661961$  which means that price has a real (significant) relationship with the purchasing decision variable.
3. There is a simultaneous influence of product type and price on purchasing decisions at PT. Benelli Anugerah Motor Pusakan in Medan, this is known from the price of  $F_{count} = 146,319$  compared to  $F_{table}$  of 2.36 then  $146.319 > 2.36$ , which means that the product type and price variables simultaneously have a real (significant) influence or a positive influence on the purchasing decision variable.

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