

**THE INFLUENCE OF PRODUCT QUALITY AND PRICE PERCEPTION
REGARDING THE DECISION TO PURCHASE POWDER
WARDAH POLISH IN SURABAYA**

Ruth Agita Purba¹
Universitas Pembangunan Nasional “Veteran” Jawa Timur, Surabaya, Indonesia
Ruthagita388@gmail.com

Hery Pudjoprastyono²
Universitas Pembangunan Nasional “Veteran” Jawa Timur, Surabaya, Indonesia
heryp.mnj@upnjatim.ac.id



Abstract

As people's attention to appearance increases, especially among women, the use of cosmetics has become an important part of supporting everyday appearance. The rapid development of cosmetic trends has encouraged the emergence of various brands, both local and international, which has led to increasingly tight market competition. This study aims to analyze the effect of Product Quality and Price Perception on Purchasing Decisions for Wardah compact powder in Surabaya. This study uses a quantitative approach with a purposive sampling method, and involves 96 respondents domiciled in Surabaya. The research data were obtained by distributing questionnaires via Google Form and then analyzed using SmartPLS 3. The results of the analysis using the Partial Least Square (PLS) method show that Product Quality and Price Perception have a positive and significant effect on Purchasing Decisions.

Keywords: Product Quality; Price Perception; Purchase Decision

INTRODUCTION

As time goes by, everyone must pay close attention to their appearance to look attractive every day, especially when doing activities outside the home. In addition to attractive clothing, cosmetics have become an important need to support their appearance for some groups, especially women, so it is difficult for them not to use cosmetics. Cosmetics are products to improve the appearance or aroma of the body. The rapid development of cosmetic trends has triggered the emergence of various cosmetics from various brands, both from abroad and domestically to meet the diverse needs of consumers. Along with the development of technology and tight market competition, cosmetic companies in Indonesia face major challenges in attracting consumer attention. Wardah is an original Indonesian halal cosmetic brand that was established in 1995 under PT Paragon Technology and Innovation (PT. PTI). Wardah has various types of cosmetics such as lipstick, eye shadow, mascara, eyebrow pencil, compact powder, and others. Compact powder is one of the popular products, especially for women. In Indonesia, there are various brands of compact powder with their respective advantages. The increase in cosmetic companies and the variety of compact powder product innovations have caused sales of Wardah compact powder to decline.

Table 1
Top Brand Index of Compact Powder 2019-2023

Brand Name	2019	2020	2021	2022	2023
Wardah	34.60%	27.60%	26.70%	24.70%	23.60%
Pixie	10.10%	10.80%	10.80%	11.40%	11.30%
Maybelline	4.30%	4.70	7.40	6.80%	7.80%
Make Over	-	-	7.80%	10.20%	11.30%
Caring	5.50%	7.50%	6.70%	4.30%	5.70%

Source: Top Brand Award 2024

Based on data from the Top Brand Award 2024 for the compact powder category, Wardah maintained its position as the highest brand from 2019 to 2023. However, the percentage of Wardah's Top Brand Index shows a downward trend every year, from 34.60 percent in 2019 to 23.60 percent in 2023. This indicates a change in consumer preferences and increasingly tight competition in the compact powder market, where compact powders from other brands are starting to strengthen their positions.

Wardah compact powder products are one of the most popular choices in Indonesia, especially in Surabaya. However, even though Wardah has a fairly large market share, the challenges from other brands that offer similar quality at more competitive prices are increasing. Many factors influence consumer purchasing decisions, including price perception and the quality of the product itself.

According to Pattilasa Dwiridotjahjono (2023), Product quality is an effort to fulfill what consumers want and expect from the products offered. Product quality refers to the consumer's understanding that the product offered has a value advantage compared to its competitors' products.



Figure 1.
Wardah Consumer Reviews on Shopee
 Source: Shopee, 2024

However, recently, Wardah has received negative criticism from customers regarding the quality of its products, which has also affected the brand's reputation and added to the challenge of maintaining consumer trust amidst increasingly tight market competition. Price is one of the important factors in deciding to buy an item, because the price of a product can influence their perception of the product.

Table 2
Top Solid Brand Prices in 2024

No	Brand	Price
1	Wardah Two-Way Cake	42,000
2	Pixy Two-Way Cake	32,000
3	Maybelline	66,000
4	Make Over	85,000

Source: Compact Powder Selling Price at Shopee Mall, 2024

According to Kusumawati and Saifudin (2021), price perception is the amount of money that consumers must pay in return for the amount and value of the product they obtain, the benefits of which can be compared with other purchasing methods. This perception is generally greatly influenced by consumer behavior itself.

REVIEW OF LITERATURE

Product Quality

According to Permana et al., (2023) product quality is the ability of a product to work well according to its function, including how durable it is, how reliable it is, how precise its performance is, how easy it is to use and repair, and other features the product has. Nisa and Soebiantoro (2023) argue that the quality of a product or service is measured by how well it

meets the needs of its target audience. According to Siraj (2021), product quality indicators are as follows: 1) Reliability; 2) Durability; 3) Features; 4) Design; 5) Suitability.

Price Perception

According to Fikri & Pudjo Prastyono (2023), price perception is defined as the way customers interpret price information and relate it to what they consider important to them. According to Dhedy Pradana et al. (in Devi et al., 2023), one of the factors that influences consumers' decisions to buy a brand is price. According to Fikri & Pudjoprastyono (2022) the price perception indicators are as follows: 1) Price suitability with product quality; 2) Price suitability with benefits; 3) Price suitability with competitiveness.

Buying decision

Robiah and Nopiana (2022) stated that purchasing decisions are the process of choosing between several available alternatives. This means that a person can only make a decision when there is more than one option to consider. According to Rachmadani & Soebiantoro (2022), there are 4 indicators in purchasing decisions, namely: 1) The stability of a product; 2) Habits in buying products; 3) Giving recommendations to others; 4) Making repeat purchases.

Conceptual Framework

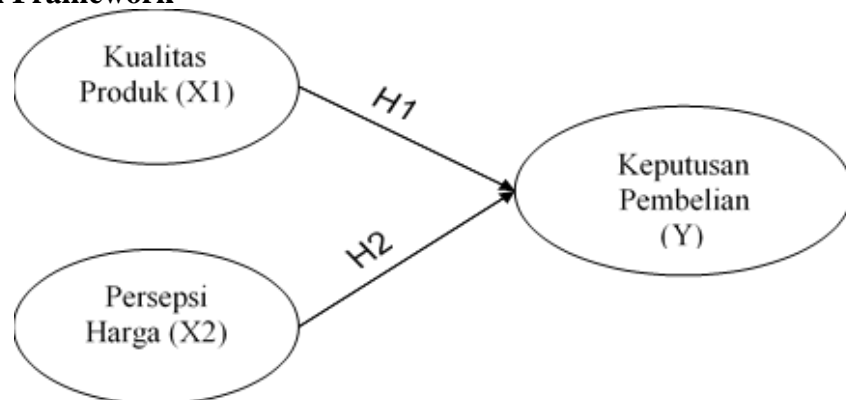


Figure 2
Conceptual Framework

Based on the research above, the hypothesis established in this research is:

H1 : It is suspected that product quality has a positive influence on purchasing decisions for Wardah compact powder in Surabaya.

H2 : It is suspected that price perception has a positive influence on purchasing decisions for Wardah compact powder in Surabaya.

RESEARCH METHOD

This study applies a quantitative approach. The variables studied are: a) Product Quality (X1) with indicators: reliability, feature durability, design, and suitability. b) Price Perception (X2) with indicators: suitability of price with product quality, suitability of price with benefits, and suitability of price with competitiveness. c) Purchase Decision (Y) with indicators: product stability, habits in buying products, giving recommendations to others, and making repeat purchases. This study used 96 respondents domiciled in Surabaya. The data used are primary data, obtained from distributing questionnaires via Google Form with

a Likert scale, and secondary data sourced from websites, online media, journals, and reference books. Data were analyzed using SmartPLS 3 software.

RESULTS AND DISCUSSION

Outer Model

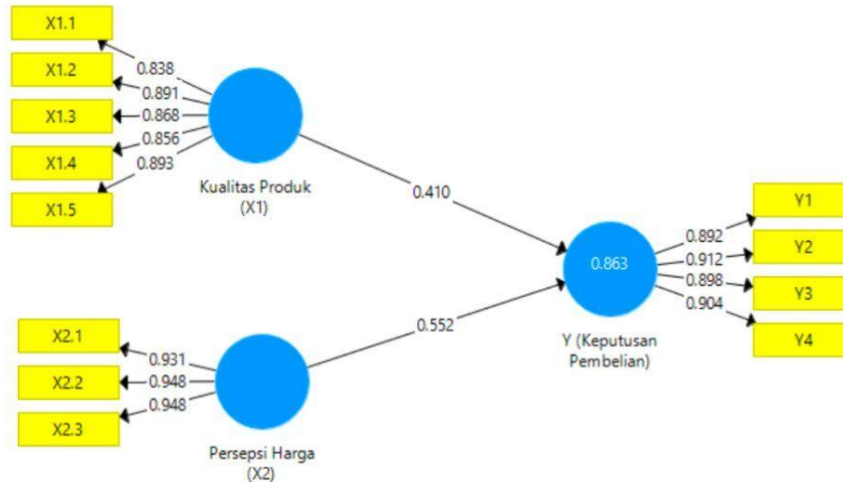


Figure 3
Outer Model

Source: Data processed by researchers, 2025

From the PLS output image, the factor loading value of each indicator can be seen which is located above the connecting arrow between the variable and the indicator. In addition, the path coefficients value which is above the arrow between the exogenous and endogenous variables can also be seen. In addition, the R-Square value is listed right inside the circle on the endogenous variable (PurchaseDecision).

Average Variance Extracted (AVE)

The AVE variable measurement model is said to have good validity if it shows a figure > 0.5.

Table 3
Average Variance Extracted (AVE)

	Average Variance Extracted (AVE)
Product Quality (X1)	0.756
Price Perception (X2)	0.888
Y (Purchase Decision)	0.813

Source: Data processed by researchers, 2025

Based on the results of AVE Product Quality (X1) 0.756, Price Perception (X2) 0.888, and Purchase Decision 0.813. So, the three variables have a value > 0.5, which means all variables have good validity.

Composite Reliability

Reliability testing is measured using composite reliability, and Cronbach's Alpha aims to measure the reliability of each indicator in a variable. It is stated to meet the reliability

value if it has a value > 0.70. The following are the composite reliability values and Cronbach's Alpha:

Table 4
Composite Reliability

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Product Quality (X1)	0.919	0.922	0.939	0.756
Price Perception (X2)	0.937	0.938	0.960	0.888
Y (Purchase Decision)	0.923	0.923	0.945	0.813

Source: Data processed by researchers, 2025

Based on the results of the composite reliability test in the table above, all statements in the questionnaire have a composite reliability value and Cronbach's Alpha of more than 0.70, which indicates that all variables in this study can be considered reliable.

Inner Model
R-Square

Table 5
R-Square

	R Square	R Square Adjusted
Y (Purchase Decision)	0.863	0.861

Source: Data processed by researchers, 2025

The table above shows that the R-Square of the purchasing decision variable (Y) is 0.863. This can be interpreted as the model is able to explain purchasing decisions (Y), which are influenced by Product Quality (X1) and Price Perception (X2) by 86.3%. While 13.7% is influenced by other variables outside the study.

Hypothesis Testing

Hypothesis testing seen from the p-value is declared accepted if the p-value < 0.05. The following is a table of path coefficients:

Table 6
Hypothesis Testing

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Product Quality (X1) -> Y (Purchase Decision)	0.410	0.418	0.102	4,021	0,000
Price Perception (X2) -> Y (Purchase Decision)	0.552	0.544	0.103	5,360	0,000

Source: Data processed by researchers, 2025

Hypothesis 1: Product Quality (X1) has a positive and significant effect on Purchasing Decisions (Y) with a path coefficient of 0.410 and p value 0.000 < 0.05, then H1 is accepted.
 Hypothesis 2: Price Perception (X2) has a positive and significant effect on Purchasing Decisions (Y) with a path coefficient of 0.552 and p value 0.000 < 0.05, then H2 is accepted.

The Influence of Product Quality (X1) on Purchasing Decisions (Y)

Based on the results of data processing using SmartPLS software, it was obtained that the Product Quality variable (X1) has a positive and significant effect on Purchasing Decisions (Y). This shows that the higher the consumer's assessment of the quality of Wardah compact powder products, the higher the likelihood of them making purchases, either repeat purchases or recommendations to others. The product quality indicator that has the highest loading factor value is the Reliability indicator (X1.1). This indicates that consumers consider Wardah compact powder to be able to provide consistent results every time it is used. This quality consistency is the main reason that strengthens purchasing decisions, especially among female consumers in Surabaya. This finding is in line with research conducted by Syah Ammar Brawijaya Siraj (2024), which concluded that product quality has a positive and significant effect on purchasing decisions for Marjan Syrup products. This study is also supported by the results of a study by Fikri & Pudjoprastyono (2023), which shows that product quality makes a significant contribution to driving purchasing decisions for Viva cosmetic products in Surabaya. Thus, it can be concluded that product quality, especially in terms of reliability, durability, and design, is a very important factor in shaping consumer perceptions of Wardah compact powder and driving their decision to purchase the product.

Influence of Price Perception(X2) Regarding Purchasing Decisions (Y)

Based on the results of data processing using SmartPLS software, it is known that the Price Perception variable (X2) has a positive and significant effect on Purchasing Decisions (Y). This means that the more positive the consumer's perception of the price of Wardah compact powder, the higher the likelihood they will purchase the product. This shows that price is an important consideration for consumers in determining their choice of beauty products, especially compact powder. The price perception indicator that has the highest loading factor value is the suitability of price to product quality (X2.1). Most respondents feel that the price offered by Wardah is comparable to the quality of the product obtained. This provides confidence that they are not only paying a reasonable price, but also getting benefits and quality that match expectations. The results of this study are supported by a study by Fikri & Pudjoprastyono (2023), which shows that price perception has a positive and significant effect on purchasing decisions for Indomie products in Surabaya. In addition, research by Permana, Yusnita, and Oktaviani (2023) also concluded that good price perception can increase consumer interest and purchasing decisions for Ali Jaya Furniture products. Thus, price perception is proven to be an important factor in driving consumer purchasing decisions. Prices that are considered appropriate to quality, benefits, and competitiveness in the market can create a sense of satisfaction and confidence in consumers to make purchases, including Wardah compact powder products.

CONCLUSION

Based on the results of the analysis using the Partial Least Square (PLS) method, it can be concluded that Product Quality and Price Perception have a positive effect on the Purchase Decision of Wardah compact powder in Surabaya. This shows that the higher the consumer perception of the quality and suitability of the product price, the greater the possibility of them making a purchase. The reliability indicator is the main factor in product quality, while the suitability of price with quality is the main determinant in price perception, and product stability is the most important aspect in purchasing decisions. The implication of this finding is the importance for Wardah to continue to improve the quality and reliability of its products

and maintain the suitability of price with quality in order to increase consumer loyalty and maintain competitiveness in the increasingly competitive cosmetics market.

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