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Effects of Prices, Product Quality, and Halal Certification on Repeat Purchase Interest of Wardah at Avon Stores Purwoharjo Banyuwangi

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Abstract

Research on prices, product quality, and halal labels on the repurchase interest of Wardah products. The research objective was to see and analyze the effect of price (X1), product quality (X2), halal label (X3) on repurchase interest (Y) at Wardah outlets at Avon Cosmetics Banyuwangi. Data were collected by means of observation, interviews and questionnaires to 60 respondents with a purposive technique using accidental sampling, which aims to see the respondents' perceptions of each variable. The analysis used includes instrument test, multiple linear regression analysis, classical assumption test, and hypothesis testing. The results of analysis using regression can be seen that the variable price (X1), product quality (X2), halal label (X3), all have a positive effect on repurchase interest (Y). From the test, the results obtained from the price (0.012), product quality (0.001), halal label (0.000), all have a positive effect on the repurchase interest of Wardah products. The third variable has an effect of 73.4% and the remaining 26.5%.

Keyword: price, product quality, halal label and repurchase interest.

1. Introduction

Currently, business competition has become very sharp, both national (domestic) and International or global markets. Due to competition in offering quality products at prices that can compete in the market. Competition between the personal care and cosmetic industry markets is competitive, this is proven by the many types of cosmetics that are produced both domestically and abroad (Jayanti, 2010).

Everyday Women's life is inseparable from cosmetics, this body care is used by most women from waking up to before bedtime. This also applies to the selection of cosmetics for women who always want to decorate or beautify themselves, which is obtained by a fast process. Beauty and physical attractiveness are very important for women (Utami, 2013).

Competition for cosmetic manufacturers in Indonesia is also very competitive. Many cosmetic producers from the national or domestic market have entered the Indonesian market and have successfully marketed their products. Among them are Revlon, Maybeline, pixy, and many others. This product is very well received by the people of Indonesia because the quality of the brand has become the best cosmetics in the world. Not inferior to foreign cosmetics products, the days made in Indonesia are getting more advanced.

For example, the big name Martha Tilaar, who has never released innovation in the world of beauty, Sariayu, was extracted from a variety of Indonesian cultures with special Indonesian themes and Caring Colors has a mainstay of products that can be used daily and are lightly used. These two cosmetics are brands that are still under the Martha Tilaar group. Viva for women who usually wear quality imported cosmetic products is underestimated because the price of Viva is far below other imported or local cosmetics, but that does not mean that Viva

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is of poor quality cosmetics. Viva has an affordable price because it uses natural ingredients such as jicama, cucumber and so on (www.kosmetikaindonesia.co.id).

New names such as Wardah which is the halal side or Inez which is rich in various colors. Wardah contains raw materials that are safe and halal, created for the comfort and serenity of a well-groomed woman. From this, the results of a survey from the Frontier Consulting Group in marketing magazines, the rankings of lipstick products that enter the top brand index are as follows:

Tabel 1. Table Lipstick Brand Index in 2012

Brand	TBI	TOP
Revlon	14,6%	TOP
Pixy	10,3%	TOP
Mirabella	10,1%	TOP
Viva	9,8%	
Sariayu	8,8%	
Oriflame	7,0%	
Maybelline	5,0%	
La Tulipe	4,7%	
Wardah	2,9%	
Mustika ratu	2,9%	

Source: Marketing Magazine 2012

Table 2. Table Lipstick Brand Index in 2013

Brand	TBI	TOP
Revlon	16,6%	TOP
Pixy	10,8%	TOP
Viva	8,3%	
Mirabella	8,2%	
Sariayu	8,0%	
Oriflame	7,4%	

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Maybelline	6,8%
Wardah	4,5%
La Tulipe	4,2%
Mustika ratu	3,4%

Source: Marketing Magazine 2013

From this it can be stated that Revlon, which leads the cosmetics market in Indonesia, has good quality and is accepted by Indonesians. Quality is measured through the consumer's point of view of the quality of the product itself, so that consumer tastes here are very influential. In this case, what is important is to maintain consistency of product output at the level of quality that consumers want and expect (www.revlon.com).

Jayanti (2010), suggests that product quality dimensions specifications relevant to customers can be grouped into six dimensions, namely: does the product quality describe the actual state (performance), (range and type of features), (reliability and durability), (maintainability and serviceability), (sensory characteristics), (ethical profile and image).

According to Orville, Larreche, and Boyd (2005), "if a company wants to maintain its competitive advantage in the market, the company must understand what dimensions are used by consumers to differentiate the products the company sells from competitors' products." The quality dimension is used as the basis for business people to find out whether there is a gap or difference between consumer expectations and the reality they receive. Consumer expectations are the same as consumer wants which are determined by the information they receive by word of mouth, personal needs, past experiences and external communication through advertising and promotion. If the gap between expectations and reality is large enough, this indicates that the company does not know what its customers want.

In terms of product quality and price, it must be well thought out. Affordable prices do not necessarily mean that consumers will make a purchase decision. With the increasing number of producers involved in fulfilling the needs and desires of consumers, each company must be able to be careful in setting prices. According to Swastha (2006), "Price is the amount of money (plus some items if possible) needed to get a combination of goods and services".

Prices that are too expensive or too cheap will be a big question mark in consumers. Prices that are too high make consumers make a shift in purchasing products, they will look for the same product at a lower price. So quality and price are important choice variables for consumers, so that the price of a product greatly determines its quality in customer satisfaction (Jayanti, 2010). This is what influenced Revlon even though at a slightly expensive price it could be in the top ranks for some time to come.

Women who are beautiful inside and out, of course, always think about security for their bodies. One of them is the health and safety of women's skin against the use of cosmetic products. Not only the price and quality of good products offered by cosmetics but also must be seen from the raw materials of these cosmetic products. The halal-haram case is a discourse that easily rolls around in Indonesia. The reason behind this is that the majority of Indonesia's population is Muslim (Utami, 2013).

What illustrates that the majority of Indonesia's population is Muslim is the data on the number of Indonesians based on religion as follows:

Table 3. Table Data on the total population of Indonesia by Religion.

Religion	Total	Percentage
Islam	182.083.594	87,20 %
Protestan	12.964.795	6,21 %
Katholik	6.941.884	3,32 %
Hindu	4.586.754	2,20 %
Budha	2.242.833	1,07 %
Total	208.819.860	100%

Source: Sumarwan, Ujang. (2011:200) Perilaku konsumen Teori dan Penerapannya dalam Pemasaran. Bogor. Ghalia Indonesia.

From the data above, the majority of Indonesia's population is Muslim, therefore Indonesian women should understand correctly that the raw materials used in the process of making cosmetics must be halal. The problems that arise due to the side effects of the wrong choice of cosmetics make consumers do a lot of considerations before buying. Cosmetics contain a long list of chemicals. Most of them are synthetic and petroleum-based, which can trigger health problems such as skin irritation to the most severe, such as cancer (health.detik.com).

Cosmetics that are not halal means that in the manufacturing process they use substances that are forbidden in Islam. For Muslims who are aware of this, it will create a feeling of uneasiness and doubt when using it, especially when praying. In Islam self-purity is absolute, when a Muslim performs prayers. Doubt in worship, especially in prayer is not justified in Islam. Apart from doubts that arise due to the wrong choice of cosmetics, health problems are also a threat to consumers (Utami, 2013).

The halal label on the product packaging will make it easier to identify a product. According to Kotler (2005), "labeling is a subset of packaging". Labels can include branding or lots of information. Halal label is a guarantee given by an authorized institution such as LP POM MUI to ensure that a product has passed the halal test. And according to Kotler (2004), sellers should design labels for their products.

From this it can be stated that Wardah is superior to Revlon. Because Wardah emphasizes its halal side, while Revlon still doesn't have a halal label on the packaging. The increasing trend of wearing hijab with various styles has also penetrated the use of halal cosmetics which are intended for Muslim women. Halal cosmetics are the answer for Islamic women who want to look beautiful but do not violate religious teachings (www.halalmui.org).

These three variables can influence consumer behavior to make purchasing decisions. These variables include price, product quality and halal label. When consumers are suitable, feel safe and comfortable with a product, an indication that occurs from consumer behavior is the interest in repurchasing. Purchase interest is a behavior that appears in response to objects

that indicate a customer's desire to make a purchase (Kotler, 2005).

Now in big cities, districts and sub-districts Wardah outlets are widespread throughout Indonesia. One of the shops that collaborates with Wardah is the Avon Cosmetics shop. This Avon shop is a branch of PT.Avon. which is the place of my research is the Avon shop located in Brawijaya no. 04 Kec. Purwoharjo Kab. Banyuwangi.

However, if we look closely, there is a phenomenon that is interesting to study according to Peter (2002), namely purchasing activities that are carried out more than once or several times. Company reputation has a significant effect on repurchase interest (Yuniasari, 2013). Meanwhile, Sulistyari (2012) states that consumer evaluation of product quality will be able to help them to consider which product they will buy.

An interesting fact is that what will be studied is about the price, product quality and halal label which affects the repurchase interest. From the explanation and description of price variables, product quality and halal labels that affect repurchase interest, this has led to the phenomenon of why Wardah is not in the top place even though it has presented the right need for Indonesian women, namely halal-certified cosmetics. Because most women in Indonesia are mostly still not aware of the halal label of a beauty product. and this research proposal was made to make Indonesian women aware of using halal-certified products such as Wardah cosmetics which highlight the halal label with competitive price and product quality in the national market. This is where consumers are expected to be careful before buying.

2. Method

This type of research according to the level of explanation is quantitative descriptive. The nature of this research is descriptive explanatory. Explanatory research is a study that intends to explain the position of the variables under study and the relationship between one variable and another. The variables used in this study consisted of independent variables, namely price, product quality, halal label, and the dependent variable, namely repurchase interest. The data used are primary data in the form of respondents' answers obtained from questionnaires and secondary data in the form of data from journals, books, brochures, and articles obtained from websites or obtained from notes from other parties related to this research. The population of the object of this study were all consumers of Avon Kosmetik Banyuwangi from 15 January 2021 to 29 January 2021. The number of samples consisted of 60 respondents who were obtained using purposive technique using accidental sampling. The data analysis technique in this study includes the validity test used to determine whether a questionnaire is valid or not. Reliability test is a tool for measuring a questionnaire which is an indicator of a variable or construct. Then proceed with the multiple linear regression analysis test, as well as the classic assumption test which includes the multicollinearity test which aims to test whether the regression model and found a correlation between independent variables. Heteroscedasticity test which aims to determine whether the regression model and variance inequality occurs from one observation residual to another. Normality test which aims to test whether in the regression model, the dependent variable and the independent variable both have a normal distribution or not. Finally, a hypothesis test is carried out which includes simultaneous test (F) and partial test (t).

3. Results And Discussion

3.1 Test Data Instruments

Table 4. Table Validity Test Results

No.	Variables/ indicators Price	r count		r table	Information
1	X1.1	0,765	>	0,254	Valid
2	X1.2	0,82	>	0,254	Valid
3	X1.3	0,808	>	0,254	Valid
	Product Quality			0,254	
1	X2.1	0,844	>	0,254	Valid
2	X2.2	0,75	>	0,254	Valid
3	X2.3	0,816	>	0,254	Valid
	Halal label			0,254	
1	X3.1	0,82	>	0,254	Valid
2	X3.2	0,722	>	0,254	Valid
3	X3.3	0,789	>	0,254	Valid
	Repurchase Interest			0,254	
1	Y1	0,749	>	0,254	Valid
2	Y2	0,867	>	0,254	Valid
3	Y3	0,779	>	0,254	Valid

Source: Output SPSS

It is known that each indicator to the total construct score of each variable shows a positive result, because r count > r table. So it can be concluded that all question items are declared valid.

Table 5. Table Reliability Test Results

Variable	*Cronbach's Alpha*	*Cutt off*	*N of Item*	Ket.
X1	0,709	> 0,6	3	Reliable

X2	0,701	> 0,6	3	Reliable
X3	0,665	> 0,6	3	Reliable
Y	0,710	> 0,6	3	Reliable

Source: Output SPSS

Because the Cronbach's Alpha values are 0.709, 0.701, 0.665 and 0.710 > 0.60, so the data obtained can be declared reliable or feasible as a tool in data collection.

3.2 Multiple Linear Regression Analysis

The regression analysis used in this study is multiple regression analysis involving the control variable used to test the effect of the independent variable on the dependent. With the control variable, the effect of the independent variable on the dependent variable is not influenced by external factors. First, the effect of the independent variable on the dependent variable will be analyzed, then it will be re-analyzed with the control variable. So that it can enrich the results of the analysis by comparing before and according to the use of control variables. The following is the formulation of multiple linear regression in this study:

Table 6. Table Results of Model Regression Analysis (4.1)

Variable *Independent*	*Unstandardized Coefficients B*	t		T table	Sig.		*a*	Information
(*Constant*)	0, 082							
Price (X1)	0, 199	2,592	>	2,003	0,012	<	0,05	Signifikan
Product Quality (X2)	0, 391	3,448	>	2,003	0,001	<	0,05	Signifikan
Halal Label (X3)	0, 403	4,409	>	2,003	0, 000	<	0,05	Signifikan
Adjusted R Square = 0, 734					F. Count = 51,494 Sig. F = 0,000			

Source: Output SPSS

Model regression equation

Y = 0.082 + 0.199X1 + 0.381X2 + 0.403X3

The regression equation above can be interpreted as follows:

1. A constant value of 0.082, indicating the amount of interest in repurchasing when the

price, product quality and label are equal to zero;

2. b1 = 0, 199 this indicates that every percentage change of one unit of price variable will have an effect on repurchase interest with a coefficient of 0.082 which is positive;
3. b2 = 0.381 this indicates that every percentage change of one unit of product quality variable will have an effect on repurchase interest with a coefficient of 0.381 which is positive;
4. b3 = 0.403 this indicates that each percentage change of one unit of the halal label variable will have an effect on repurchase interest with a coefficient of 0.403 which is positive;

3.3 Classic Assumption Test

a. Multicollinearity Test

Table 7. Table Multicollinearity Test Results

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	x1	,623	1,604
	x2	,436	2,291
	x3	,545	1,834

Source: Output SPSS

It is known that there is no multicollinearity between the independent variables because the VIF value is less than 10, and the Tolerance value is more than 0.1.

b. Heteroscedasticity Test

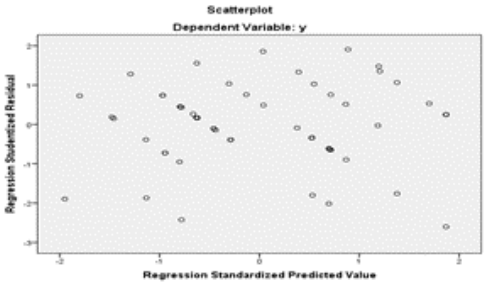


Figure 1. Figure Heteroscedasticity Test Results

Sumber: Output SPSS

The test results using SPSS show that there is no heteroscedasticity, because the spread of data does not form a certain line or there is no clear pattern, and the points spread above and below the zero on the Y axis.

c. Normality test

First, a graphical analysis is performed to produce a histogram graph and a normal plot graph. The following are the results of the normality test

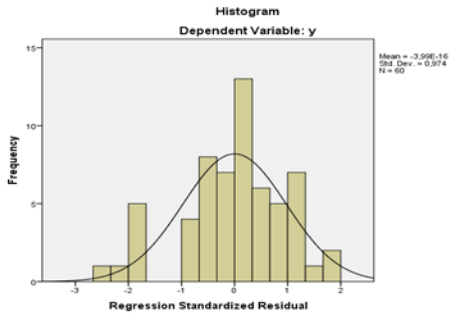


Figure 2. Figure Histogram Graph Normality Test Results

Source: Output SPSS

From the histogram graph above, it can be seen that the residuals are normally distributed and symmetrical, not tilted to the right or to the left.

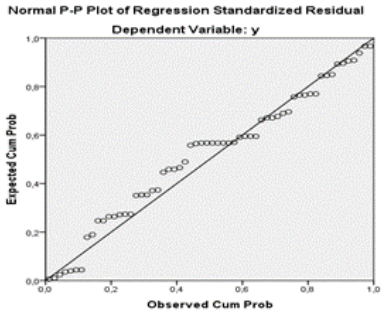


Figure 3. Figure Results of Normal Plot Graph Normality Test

Source: Output SPSS

From the normal plot graph it can be seen that the dots spread out around the diagonal line, this indicates that the residuals are normally distributed. Thus it can be said that the regression model is feasible because it meets the assumption of normality.

3.4 Hypothesis Testing

a. Simultaneous Test (Test F)

Table 8. Table Test F Result

ANOVA[a]					
Model	**Sum of Squares**	df	Mean Square	F	Sig.

	Regression	82,336	3	27,445	51,494	,000[b]
1	Residual	29,847	56	,533		
	Total	112,183	59			

Source: Output SPSS

Based on the results of multiple linear regression analysis (in this case to test the effect simultaneously) the results obtained, namely that F count > F table (51.494 > 2.77) and significance (0.000 < 0.05), then Ho is rejected and Ha is accepted, it means that the independent variables (price, product quality, and halal label) simultaneously have a significant effect on the repurchase interest in Avon Cosmetics Banyuwangi.

b. Partial Test (t test)

The t distribution table is sought at α = 5%, with degrees of freedom (df) nk-1 or 60-3-1 = 56. Based on the results of multiple linear regression analysis (in this case to test the effect partially), the following results can be stated;

a. The price variable (X1) has a t value of 2.592 > t table 2.003 and a significance of 0.012 < 0.05, so Ho is rejected and Ha is accepted, which means that partially the price variable has a significant effect on repurchasing interest in Avon Cosmetics Banyuwangi. T count is positive, so if there is an increase in the price variable, it will increase the repurchase interest;
b. The product quality variable (X2) has a t value of 3,448 > 2,003 and a significance of 0.001 < 0.05, then Ho is rejected and Ha is accepted, which means that partially the product quality variable has a significant effect on repurchasing interest in Avon Cosmetics Banyuwangi is positive, so if there is an increase on the product quality variable it will increase repurchase interest;
c. The halal label variable (X3) has a t value of 4.409 > 2.003 and a significance of 0.000 < 0.05, so Ho is rejected and Ha is accepted, which means that partially the halal label variable has a significant effect on repurchasing interest in Avon Cosmetics Banyuwangi. t count is positive, so if there is an increase in the halal label variable, it will increase the repurchase interest.

c. Determination Coefficient Test (R2)

Table 9. Table Result of Determination Coefficient Test (R2)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	,857[a]	,734	,720	,73006	,734	51,494	3	56	,000	1,939

Sumber: Output SPSS

The results of the analysis show that the percentage of the contribution of the variable price, product quality and halal label influence on the repurchase interest in Avon Cosmetics Banyuwangi, it can be seen from the value of R Square (R2) which shows that it is 0.734 or 73.4% and the remaining 26.5% is influenced or explained by other factors not included in this research model, product attributes, and marketing mix.

4. Discussion

The coefficient test results from multiple linear regression analysis show that price, product quality, and halal label have a significant effect on repurchase interest in Avon Cosmetics Banyuwangi in a positive direction. Based on the test results, it can be concluded that the hypothesis which states, "there is an effect of price, product quality, and halal label on repurchase interest in Avon Cosmetics Banyuwangi" is accepted. This indicates that if the price, product quality, and halal label have a positive value, it will have an influence in increasing repurchase interest in Avon Cosmetics Banyuwangi.

The effect of price on repurchase interest.

Research conducted, shows that the value of the variable price coefficient of 0.199 or 19.9% with a positive direction. Price refers to the amount of money needed to get a combination of services. These results support previous research by Jayanti (2010) which states that there is an effect of price on repurchase interest and in accordance with the proposed hypothesis, namely that there is a significant influence between price on Wardah's repurchase interest on Avon Cosmetics Banyuwangi.

The Effect of Product Quality on Repurchase Interest

The research conducted shows that the coefficient value of the Product Quality variable is 0.381 or 38.1% in a positive direction. Product quality is something that is offered to the market for attention, possession, use, or consumption so as to satisfy wants or needs. Increasing the quality of the product is felt to be very necessary, thus the company's products are getting higher quality. If this can be done by the company, then the company will still be able to satisfy consumers and be able to increase the number of consumers. These results support previous research by Sulistyari (2012) which states that there is an effect of product quality on repurchase interest in accordance with the proposed hypothesis, namely that there is a significant influence between product quality on Wardah's repurchase interest in Avon Cosmetics Banyuwangi.

The Effect of Halal Label on Repurchase Intention

Wardah cosmetics is one of the cosmetic products that emphasizes its halalness. Research conducted shows that the coefficient value of the Halal Label variable is 0.403% or 40.3% in a positive direction. Every person who produces or imports packaged food within the territory of Indonesia for trading is obliged to include a label on, inside or on the food packaging. These results support previous research by Ratnawati (2013) which states that there is an effect of the halal label on repurchase interest in accordance with the proposed hypothesis, namely that there is a significant influence between the halal label on Wardah's repurchase interest in Avon Cosmetics Banyuwangi.

5. CONCLUSION

This study examines the effect of price and quality of products and halal labels on the repurchase interest of Wardah products at Avon Banyuwangi stores. Using a significance

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level of 0.05, the results show that simultaneously / jointly and partially, the variable price and product quality and halal labels have a significant positive effect on the repurchase interest of Wardah products at Avon Purwoharjo Banyuwangi.

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