

# The Influence of Product Quality, Price and Online Customer Reviews on Maybelline Cosmetic Purchasing Decisions (Case Study of College Students on Tiktok)

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## ABSTRACT

The all-digital era makes cosmetic products must maintain product quality factors, online customer reviews, and product prices in order to maintain good sales. With good product quality, appropriate prices and positive and easily searchable online customer reviews, it is enough to make consumers make purchasing decisions on any product, including Maybelline. There are two problems that exist in this study, namely whether there is a partial influence on (1) product quality variables; (2) product prices; (3) online customer review variables; and (4) quality, price, and variables have a stimulant effect on Maybelline cosmetics. The objectives of this study include testing, analyzing, and knowing the effect of (1) product quality, (2) price effect, (3) online review effect, and (4) stimulant effect of Maybelline cosmetic products on female students on Tiktok. Data collection techniques, namely questionnaire distribution, observation, and literature study. The data analysis technique in this study is descriptive and inferential statistical analysis using SmartPLS software. The research results obtained include product quality partially affecting (1) product purchasing decisions, (2) product prices, (3) online customer reviews, and (4) product quality, price, and variables have a stimulant effect on Maybelline cosmetics. Suggestions for future researchers are (1) to include other variables and focus research with other platforms in order to differentiate the results; (2) pay attention to the quality and price of new products to focus on online customer

reviews with the involvement of influencers; and (3) Maybelline companies to maintain quality at affordable prices so that consumer perceptions are always good, (4) consumers who are interested in Maybelline products because they are worth considering.

**Keywords:** *Quality, Price, Review, Maybelline, Tiktok*

## INTRODUCTION

The cosmetics industry in Indonesia has a fairly fast development path, this can be caused by people's curiosity about new cosmetics and also the lifestyle of Indonesian people who tend to be consumptive. This condition is highly utilized by cosmetic manufacturers to market their goods to Indonesia. Data submitted by the Central Bureau of Statistics, the total population in Indonesia in 2020 was 273.5 million people with 49.42 percent of the female population with a total of 133.54 million people. With the condition of Indonesian people who have a consumptive lifestyle, it can be an easy target and a promising market for cosmetic companies. Lately, the trend of using cosmetics has been growing both among the teenage and adult generations, and the demand to look attractive in front of the public is one of the reasons the cosmetics industry is growing rapidly in Indonesia (Rendy Iswanto. 2016.).

Seeing the development of the cosmetics industry in Indonesia which is increasingly dynamic and complex, companies engaged in this field will certainly begin to feel that there are various challenges for companies to maintain market share. In addition, this also made new companies start to emerge and penetrate the cosmetics industry. Each company will definitely make various kinds of efforts and use their best strategies to attract the attention of potential customers, especially in the cosmetics market industry. It cannot be denied that cosmetics have now become a necessity for all people, especially for women in carrying out their activities. From teenagers, adults to parents use cosmetics to support their daily activities, especially women. Competition between companies in the world of the cosmetics industry looks increasingly competitive. This is evident from the many types of cosmetics produced domestically and abroad that are circulating in Indonesia (Ramayani yusuf, et al. 2020).

Lately, there have been many products that have started to appear with almost the same shape and appearance, this of course makes companies start aggressively promoting in order to convince consumers that the products released by the company have their own special features and are different from other products. When the company already has its own market share, the company must at least be able to maintain that market share, but must still have hopes of further enlarging its market area. To maintain market share, utilizing the policies owned by the company is not enough (Jefryansyah. 2020).

Companies must be able to know and fulfill what consumers need and want. In other words, between the marketing of a company's products and the desires and expectations of consumers for the goods marketed by the company must be balanced. This will lead to purchasing decisions made by consumers.

Innovation activities carried out by companies aim to be able to meet the needs and desires of consumers, have the aim that

companies can improve the quality of their products to meet consumer needs and launch marketing of these products so that consumers purchase the company's products. Cosmetic companies that are able to retain consumers to remain loyal to their products make the company the choice of consumers.

It cannot be denied that recently the need to fulfill the lifestyle of the Indonesian people has increased, so more and more people need equipment to support their lifestyle, namely cosmetics. This has led to quite intense competition among producers, producers compete with each other to be able to get market share among the public. The tight competition between producers that occurs in the cosmetics industry, causes cosmetics producers to compete with each other to be able to attract public interest so that a purchase decision occurs for their products (Kotler, Philip and Kevin Keller. 2016).

Competition in the cosmetics industry does not only come from local companies, but international companies also participate in this competition. International companies need to work extra to be able to penetrate the market in Indonesia, this happens because of the burden of tax costs imposed by customs on goods originating from abroad. With the tax imposed, the selling price of the product must be more expensive than other local products. Nowadays, international companies choose to set up factories or production sites in this country, this is done to reduce the burden of imported goods charged against the product. One of the international companies that established a factory in Indonesia is PT L'Oreal Indonesia which is located in Kuningan, North Jakarta, Jakarta (McPheat, Sean. 2011).

Maybelline is one of the cosmetic products made by PT L'Oreal group. L'Oreal group first entered Indonesia in 1979 by marketing Lancome products which is one of the Luxury brand categories. Besides Lancome, in the following years L'Oreal included other brands such as Guy Laroche perfume,

Chacarel, and Raph Laurent. PT L'Oreal had cooperated with a local company in 1985 to establish a manufacturing company, PT Yasulor Indonesia.

In 1993 L'Oreal took over all supervision and operations of the company until in 2000 PT L'Oreal formed a single entity, PT L'Oreal Indonesia. The distribution and marketing of L'Oreal group products is carried out by PT L'Oreal Indonesia while the production of skin and hair care is carried out by PT Yosulor Indonesia to meet the needs of the domestic market and Southeast Asia. L'Oreal Group has 15 product brands that are quite famous and can be categorized as luxury products, namely; L'Oreal Paris, Maybelline New York, Garnier, L'Oreal Professional, Kerastase Paris, Matrix, Lancome, Biotherm, Shu Uemura, Yves Saint Laurent, Kiehl's, Raph Laurent perfume, Giorgio Armani, Diesel and The Body Shop which are distributed through PT Monica Hijau Lestari (Dewanti Pertiwi, Henna Gusfa. 2018).

Product quality is basically one of the ways provided by producers to ensure that the products offered can meet the needs and are able to provide satisfaction to consumers. It cannot be denied that consumers tend to make repeated purchases when consumers feel suitable and satisfied with the product. Usually consumers will provide an assessment in determining to make a decision they make, especially on products that they think are of high quality (Widiana, I.W.P, 2016). We can conclude that consumers will prefer high-quality products over lower quality products before they finally make a decision, whether they will make repeat purchases or they will switch to another brand (Tjiptono, Fandy. 2015).

The tight competition in the cosmetics industry in the current era has led to new competitors who utilize the name or brand of a product that is increasing in sales. It is not uncommon for consumers to find products whose quality is not the same as the original product but uses the same name, or commonly known as counterfeit

products. This is quite troubling for consumers, because it is not uncommon for them to be deceived by products that are not in accordance with the original product. Basically, product quality is like a reflection of the "quality" possessed by a product and has properties such as dimensions, color layout, size and shape of the product (Kotler, Philip and Kevin Keller, 2016).

The effect of the price of a product is no less important in making a decision made by consumers. The price set by the company can be a benchmark or measuring tool for consumer demand for a product. Pricing that is not appropriate will have an impact on product sales not being maximized, resulting in a decrease in sales and also a decrease in market share. Therefore, it is important to determine the price of a product according to the market share that will be targeted so that sales of the product can be maximized. In the current era, we encounter many similar products that dare to offer lower prices but have quality that is no less good than Maybelline products. These two factors should receive special attention from Maybelline (Fransiska Hesty. 2018).

In today's digital era, in addition to product quality and price factors, the purchase of cosmetic products is usually also influenced by online customer reviews from consumers. Online customer reviews are done by consumers to provide opinions or provide reviews of a product that they have used. In providing reviews, consumers will usually share information such as about packaging to the benefits of the product, besides that, consumers will usually also provide information about the advantages and disadvantages of the product. This is quite useful and helps potential consumers in making their choices, consumers only need to type keywords on internet search engines and product review sites will definitely appear from YouTube, websites to personal blogs (Dewanti Pertiwi, Henna Gusfa. 2018).

Maybelline is quite often reviewed online by its consumers, from artists, influencers, celebrities to ordinary consumers. This

happens because Maybelline often releases new products that are always booming so that it attracts consumers to try and provide responses to these products. Maybelline must always oversee the results of reviews of its own products that can be used to continue to improve the quality of Maybelline. In addition, Maybelline still has to maintain its good name in online reviews conducted by its consumers so that it can get good feedback from potential consumers and loyal consumers with its products (Fitria Halim, Sherly, Acai Sudirman. 2020). The description above states that product quality, price and online customer review are factors that make someone make a purchase decision. With good product quality, appropriate prices and online customer reviews that are positive and easy to find, it is enough to make consumers make purchasing decisions. Based on the results of the description of these problems, the researcher is interested in conducting research with the title "The Effect of Product Quality, Price and Online Customer Review on Purchasing Decisions for Maybelline Cosmetic Products" (Case Study on College Students in Tiktok).

## MATERIALS & METHODS

### Inner Model - Structural Equation Model (SEM)

Structural model: represents the theoretical or conceptual elements of the path model. The structural model (also called the inner model in PLS-SEM) includes latent variables and their path relationships. Structural model: represents the theoretical or conceptual elements of the path model. The structural model (also called the inner model in PLS-SEM) includes latent variables and their path relationships (Hair et al., 2014).

### Path Coefficient

Path coefficients are a value that is useful in showing the direction of the relationship between variables, whether a hypothesis is accepted or rejected. Original sample, used as the regression coefficient value and P value as the significance value of the influence between these variables.

## RESULT

### Path Coefficient

Table 1.1 Path Coefficient Results

Path Analys	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Price -> Purchase Decision	0.353	0.348	0.090	3.915	0.000
Product Quality -> Purchase Decision	0.367	0.369	0.093	3.951	0.000
Online Customer Review -> Purchase Decision	0.260	0.256	0.071	3.658	0.000

Source: SmartPls Data Analysis, 2023

Based on the table above, it can be interpreted that:

1. Partially, product quality has a significant and positive effect on purchasing decision interest, this is based on a coefficient value of 0.367 with a P value of 0.000. So thus, it can be stated that H1 is accepted.
2. Partially, product prices have a significant and positive effect on interest in purchasing decisions, this is based on a coefficient value of 0.353 with a P value of 0.000. Thus, it can be stated that H2 is accepted.

3. Partially, online customer reviews have a significant and positive effect on purchasing decisions, this is based on a coefficient value of 0.260 with a P value of 0.000. Thus, it can be stated that H3 is accepted.

### R Square value

An indicator of how much an exogenous construct can explain an endogenous construct is the coefficient of determination (R Square). It is estimated that the coefficient of determination (R Square) will fall between 0 and 1. Strong, medium, and weak models are indicated by R Square values of 0.75, 0.50, and 0.25. The R Square



criteria for strong, medium, and weak values are 0.67, 0.33, and 19, respectively, the test results in this study can be seen in the following table:

**Table 1.2 Results of the Coefficient of Determination (R Square)**

	R Square	R Square Adjusted
Purchase Decision	0.840	0.835

Source: SmartPls Data Analysis, 2023

Based on the table above, it is known that the R Square value is 0.840 so that it can be interpreted that the research model has a strong influence. And from the adjusted R square value with a value of 0.835, it can be interpreted that together (simultaneously) the variables of product quality, price and online customer review have an effect of 83.5% on purchasing decisions, and the rest is influenced by other variables not included in this study.

### F Square Value

**Table 1.3 Results of F Square Value**

Variable	F Square
Price	0.202
Product Quality	0.214
Online Customer Review	0.133

Source: SmartPls Data Analysis, 2023

Based on the table above, it can be seen that the f square value of product quality on purchasing decisions is 0.214, the price on purchasing decisions is 0.202, which is in the range of 0.15 - 0.35 which can be interpreted as moderate. The effect of online customer reviews on purchasing decisions is 0.133, which is in the small criteria. So it can be interpreted that of the three variables, online customer reviews have a smaller influence when compared to the other two variables, namely product quality and product price.

### Stone Geisser Value (Q Square)

**Table 1.4 Stone Geisser Value (Q Square) Results**

Variable	SSO	SSE	Q <sup>2</sup> (=1-SSE/SSO)
Price	388.000	388.000	
Purchase Decision	485.000	251.593	0.481
Product Quality	291.000	291.000	
Online Customer Review	291.000	291.000	

Source: SmartPls Data Analysis, 2023

Based on the Q<sup>2</sup> value table of entrepreneurial interest of 0.481 more than 0, so it is interpreted that the research model has good predictive relevance.

### Model Fit

**Table 1.5 Model Fit Results**

Variabel	Saturated Model	Estimated Model
SRMR	0.075	0.075
d_ ULS	0.683	0.683
d_ G	0.524	0.524
Chi-Square	248.536	248.536
NFI	0.741	0.741

Source: SmartPls Data Analysis, 2023

Based on the table above, the criteria used are based on the SRMR (Standardized Root Mean Square) value, where it is known that the value is 0.075 < 0.10, so the model fits. So it can be concluded that the model fits the data.

## DISCUSSION

### Partial Effect of Product Quality on Purchasing Decisions

Based on testing, it is known that product quality partially has a positive and significant effect on purchasing decisions on Maybelline products by Tiktok students in Medan.

Maybelline is a cosmetic product that has been around for a long time, in terms of quality, Maybelline is one of the products with an international brand whose quality is no doubt. So it is not surprising that Maybelline already has consumers who are loyal to various variants of its products.

### Partial Effect of Product Price on Purchasing Decisions

Competitive product prices in the midst of business competition will certainly be taken into consideration by consumers before making purchasing decisions on a product. Based on the results of the study, it is known that the price of Maybelline products has a positive influence on purchasing decisions for maybelline products by Tiktok students in Medan. This is in line with the research of Fenny Krisna Marpaung, Markus Willy Arnold S, et al (2021) which

states that price is the main factor used by consumers before making purchasing decisions.

In the midst of intense competition for cosmetic or skin care products, both with old manufacturers and with new cosmetic manufacturers, Maybelline products, which are international brand cosmetic products, in terms of the prices offered are still competitive and affordable, so that for consumers who are already loyal, the existence of new cosmetic products even though with lower prices, these consumers will still use Maybelline products.

### **Effect of Online Customer Review on Purchasing Decisions**

The rapid development of social media has been utilized by most business people to be used as a means of promotion and also online sales media, one of which is through Tiktok Business. Based on the We Are Social survey, Indonesia is now the country with the second largest Tiktok user in the world after America.

Based on the research results, it is known that partially online customer reviews have a significant influence on purchasing decisions for Maybelline products by Tiktok students in Medan, but the effect is not as great as product quality and price.

Online customer reviews for old cosmetic products such as Maybelline, may not be the main thing, because long before the development of social media, Maybelline products have been able to reach a wide market, so the presence or absence of online customer reviews for old consumers who are already loyal, of course, does not really matter.

But for the new generation, in this case just getting to know or just about to start using cosmetic products, then online customer reviews will certainly be one of the considerations before deciding to buy the Maybelline product.

### **Simultaneous influence of product quality, price and online customer reviews on purchasing decisions**

Based on the results of the study, product quality, product price and online customer reviews simultaneously influence purchasing decisions for Maybelline products by Tiktok students in Medan. This is in line with several previous studies, where Fetrisen, Nazaruddin aziz, (2019) in his findings stated that the price and quality of a product are the most influential variables than promotion in a product. In addition, Firza Oktavia, Moch. Khoirul Anwar, (2020) suggests that price and product quality can directly influence consumers in making a purchase decision. In the findings of Desak Made, (2020) the better the online customer review given by consumers, it will lead to an increase in purchasing decisions for a product. Thus, it can be said that it is very important for a company to maintain and maintain the quality of its products. Especially in the midst of increasingly fierce competition in the industry. When consumers are loyal to the quality offered by a product, usually the price is not too questionable. If consumers are satisfied with the quality of the product, some people often do not mind the price. Any price will be paid, when consumers are fast with the quality.

In addition, for cosmetic products that have been established for a long time like Maybelline, online customer reviews are not very significant in their influence on buying decision interest, this only applies to loyal consumers. However, for new consumers or to attract potential customers, the three variables measured in this study, namely: product quality, product price and online customer review, are three interdependent variables and must be implemented simultaneously.

With consistency in offering quality products, in addition to competitive prices, and accompanied by online customer reviews, Maybelline products will not only retain old consumers, but also new consumers.

## CONCLUSION

Based on the research, it can be concluded that: Product quality has a partial effect on purchasing decisions for purchasing Maybelline cosmetic products. Product price has a partial effect on purchasing decisions for Maybelline cosmetic products. Online customer reviews have a partial effect on purchasing decisions for Maybelline cosmetic products. Product quality, price, and variables have a stimulant effect on Maybelline cosmetics.

### Declaration by Authors

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