Effect of Quality and Price of Toyota Avanza Products on Repurchase Interest through Consumer Satisfaction as Intervening Variables at PT. Deltamas Surya Indah Mulia Medan

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Abstract: This study aims to see and determine the effect of quality and price of Toyota Avanza products on repurchase interest through customer satisfaction as intervening variables at PT Deltamas Surya Indah Mulia Medan. The population, namely consumers at PT Deltamas Surya Indah Mulia Medan with a total of 935 consumers. The sample in this study amounted to 283 consumers with a simple random sampling technique. Data analysis techniques in this study used path analysis using SPSS software. The results of the study is quality effect consumer satisfaction of Toyota Avanza products at PT Deltamas Surya Indah Mulia Medan, price effect customer satisfaction of Toyota Avanza products at PT Deltamas Surya Indah Mulia Medan, quality effect repurchase interest of Toyota Avanza products at PT Deltamas Surya Indah Mulia Medan, price do not effect repurchase interest of Toyota Avanza products at PT Deltamas Surya Indah Mulia Medan, consumer satisfaction effect repurchase interest of Toyota Avanza products at PT Deltamas Medan, quality effect repurchase interest through consumer satisfaction of Toyota Avanza products at PT Deltamas Surya Indah Mulia Medan and price effect repurchase interest through consumer satisfaction of Toyota Avanza products at PT Deltamas Surya Indah Mulia Medan.
Keywords: Quality, Price, Repurchase Interest, Consumer Satisfaction
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I. Introduction

The automotive industry is often faced with intense competition in car sales by distributors or dealers. The data shows that in 2013 the Indonesian economy slowed to below 6%, this affected the Indonesian automotive industry. According to data from the Central Statistics Agency (BPS) in the previous year, namely in 2011 Indonesia's economic growth reached 6.5%. In 2012 it was still above 6% which was 6.23%. However, since 2013 economic growth has always been below 6%. Even in 2016 the country's economy grew by 5.0% at the end of the year. The condition affected the Indonesian automotive industry. Earlier in 2012, national car sales first broke 1,116,230 units. According to Gaikindo's data, car sales from factories to dealers in Indonesia the period from January to November 2018 reached 1.06 million units, up 7% from the same period last year of 994 thousand units.

The ups and downs in economic conditions caused a decline in car sales. This is certainly a challenge for the marketing division of car sales, because the interest in consumer purchases of cars will change in certain economic conditions. This is also felt by PT Deltamas Surya Indah Mulia Medan as one of the car dealers in Medan. Not looking at the ever-changing economic conditions, the marketing strategy of the company should be able to increase the company's sales by taking into account other things that affect the interest in repurchasing Toyota Avanza consumers.

Some of PT Deltamas Surya Indah Mulia Medan's products which are marketed include Fortuner, Inova, Rush and Avanza all are Toyota brands. In other words, all products marketed by the company are Toyota brands. One of the products that tends to decrease purchases from year to year is Avanza, while Avanza should still be the most popular product for consumers.

In 2013 the number of sales of Avanza products namely 1488 units at PT Deltamas Surya Indah Mulia Medan until 2018 the number of sales reached only 935 units decreased by 553 units. This did not only happen to PT Deltamas Surya. Based on Gaikindo's data for the first seven months of 2017 (January until July), the biggest consumer buying interest in the country was no longer in the seven-seat family car segment with compact designs such as the Toyota Avanza and Honda Mobilio. Sales in the low MPV segment during the first seven months of 2017 "only" 143,650 units, equivalent to a market share of 23.45%. The low MPV market share is also down compared to the first semester of 2017 (January to June) by 24.05% in other words consumer

buying interest in family cars has decreased. Data from the Indonesian Automotive Industry Association (Gaikindo) shows that Avanza supplies in the first four months of 2018 totaled 28,330 units. The volume was down 40.51 percent compared to the same period last year which amounted to 47,619 units.

Wijaya (2011) states that product quality is an overall combination of product characteristics resulting from marketing, engineering, production and maintenance that makes these products usable to meet customer or consumer expectations. Regarding the quality of Avanza products, in this case there are weaknesses in the quality of Avanza products that are not in line with consumer expectations, thereby affecting consumer repurchase interest. There are several Avanza deficiencies related to product quality namely the rear brakes are still drummed, telescopic steering and no vehicle stability control (VSC) and hill-start assist (HSA) features.

The next variable that influences consumer buying interest is price. Kotler and Armstrong (2012) say that price is the amount of money exchanged for a product and service. Furthermore, price is the amount of value that consumers exchange for the amount of benefit by owning or using an item or service (Kotler and Armstrong, 2012). Prices are things that consumers consider when making a purchase. Some consumers even identify price with value. According to Swastha (2012), price is the amount of money (plus a few items if possible) needed to get a combination of items and their servants. Research conducted by Resti and Soesanto (2016) shows the price perception variable has a positive and significant effect on repurchase interest.

Satisfaction obtained by a consumer, can encourage it to make repeat purchases. Based on this, one of the factors that drives consumers to make repeat purchases is satisfaction. In addition to the satisfaction of repurchase interest can be caused by several factors including price and product quality (Luftiani, 2016). Customer satisfaction is an individual feeling that results in the pleasure or disappointment felt or expectations from a product or service satisfaction (Kolter and Keller, 2012). Herizon and Maylina in (Pusparani and Rastini, 2014) found that there are two main variables that determine customer satisfaction, namely expectations and perceived performance, then the customer will feel dissatisfied and their transfer will occur or the goods and services that have been commonly used. In addition, show the results that customer satisfaction has a positive and significant effect on repeat purchase, so the higher satisfaction with the product, the higher the intention to repurchase the product.

II. Research Methods

In general, the research approach is classified into two groups namely quantitative research and quantitative research in Abdillah & Jogiyanto (2015). The approach used in this study is a quantitative approach or paradigm. According to Abdillah & Jogiyanto (2015) the quantitative paradigm emphasizes testing theory through the measurement of research variables using statistical procedures. The type of research conducted is descriptive research and uses causal research design (cause and effect).

This research was conducted at PT Deltamas Surya Indah Mulia Medan. The study was conducted in March to August 2019.

Population is a generalization area consisting of objects or subjects that have the qualities and characteristics determined by researchers to be studied and then drawn conclusions (Sugiyono, 2010). The population in this study are all consumers who have purchased a product/Toyota car at PT Deltamas Surya Indah Mulia Medan, namely consumers who made the last purchase in 2018 as many as 935. Then the sample is part of the number and characteristics possessed by the population, for that sample taken from within the population must be representative or represent the population (Sugiyono, 2010). Furthermore the number of sample members is often expressed by the sample size, the sample size in this study were 280 respondents.

The method of analysis in this study uses path analysis which is a causal analysis technique in which independent variables affect the dependent variable both directly and indirectly (Rutherford, 1993) in (Sinulingga, 2013). To test the effect of consumer satisfaction variables, the path analysis method is used which is an extension of multiple linear regression analysis that is useful for estimating causality relationships between variables that have been determined based on a theoretical literature review and arrows will show the relationships between variables.

III. Research Results

Path Analysis
Substructure I
In Table 1 shows the results of t-test of model I. Based on Table 1, it is known that the significance value of the two variables namely product quality=0,000 and product price=0.0000 less than 0.05. This shows that the regression model I namely product quality and product prices affect customer satisfaction.

Table 1. t Test Model I

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.265	1.118		2.921	.004
	Quality	.289	.023	.566	12.816	.000
	Price	.695	.088	.349	7.899	.000

Based on Table 1, the equation of path analysis model substructure I is as follows:
$$Z = 0.566X_1 + 0.349X_2$$
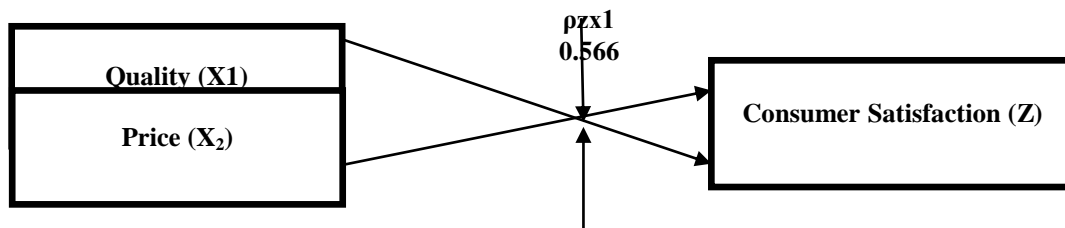Based on this, the path diagram of model I namely:

Figure 1. Model I Path Diagram

Substructure II

Table 2. t Test Model II

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	-1.333	.369		-3.612	.000
Quality	.095	.009	.481	10.248	.000
Price	-.061	.032	-.079	-1.917	.056
Consumer Satisfaction	.200	.019	.519	10.289	.000

Based on Table 2 it is known that the significance value of the three variables namely quality=0.00, price=0.056, and customer satisfaction=0.000 less than 0.05 and price greater than 0.05. This shows that the regression model II namely quality and customer satisfaction effect repurchase interest, but price do not effect repurchase interest. Based on this, the model II path diagram namely:
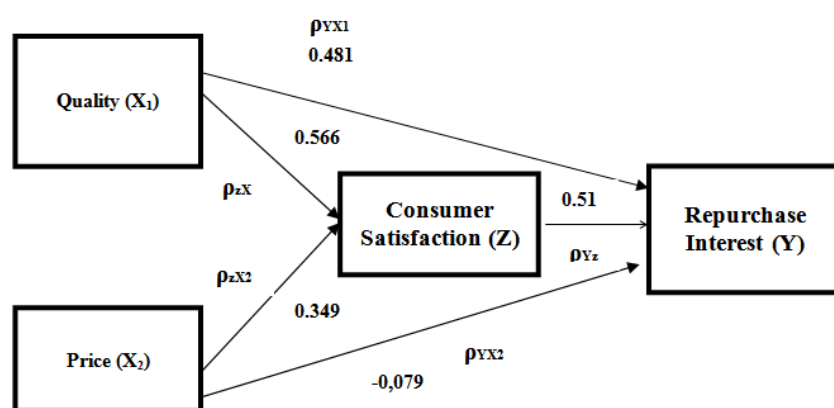

Figure 2. Model II Path Diagram

Table 2 summarizes the regression coefficients for the Research Model. Based on Table 4.8, the regression equation model for the Research Model can be written as:
$$Y=0.481X_1 - 0.079X_2 + 0.51Z$$

IV. Conclusion and Suggestion

Conclusion

The conclusions in this study are as follows:

1. Quality effect consumer satisfaction of Toyota Avanza products at PT Deltamas Medan.
2. Price effect consumer satisfaction of Toyota Avanza products at PT Deltamas Medan
3. Quality effect repurchase interest of Toyota Avanza products at PT Deltamas Medan
4. Price do not effect repurchase interest of Toyota Avanza products at PT Deltamas Medan.
5. Consumer satisfaction effect repurchase interest of Toyota Avanza products at PT Deltamas Medan.
6. Quality effect repurchase interest through consumer satisfaction of Toyota Avanza products at PT Deltamas Medan.
7. Price effect repurchase interest through consumer satisfaction of Toyota Avanza products at PT Deltamas Medan.

Suggestion

The researcher's recommendations related to this study are as follows:

1. Quality effect repurchase interest as well as on customer satisfaction, but based on the assessment of respondent response data, the lowest rating on a statement about the Toyota Avanza body is resilient if it receives a hard impact from outside with a percentage value of 15%. Listening to customer complaints through the use of suggestion boxes and emails can be an alternative choice on a regular basis for example once a month. For this reason, the evaluation of customer complaints regarding the use of the Toyota Avanza deserves attention so that it becomes an input for the company to continue to improve the quality of products that are the responsibility of Toyota Astra Motor (TAM).

2. Price effect customer satisfaction and has no (negative) effect on repurchase interest, but based on the assessment of respondents' response data, the lowest valuation on the Toyota Avanza price statement is very much in accordance with the quality offered with a percentage value of 3%. Giving discounts and discounts for loyal customers of the Toyota Avanza can be an alternative strategy of choice. Discounted rates are not evenly distributed to loyal customers, but through scheduled sweepstakes. For example, once a month.

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