PURCHASE DECISION MAKING STYLE OF PRIVATE COLLEGE STUDENTS IN BORDER AREAS

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Research Highlights

This study proposes three hypotheses, namely (1) perfecsionistic partially assumed to have an influence on consumer decision-making styles of college students in Batam in purchasing mobile phones, (2) Brand Conscious partially assumed to have an influence on consumer decision-making styles of colllege students in Batam in purchasing mobile phones and (3) Perfectionistic and Brand Conscious are jointly assumed to have an influence on consumer decision-making styles of college students in Batam in purchasing mobile phones. The results of the study shows that Perfectionistic and Brand Conscious have a positive relationship and influence on consumer decision-making styles both individually and jointly.

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Research Objectives

Batam is one of the outermost and foremost regions in Indonesia. Not only as the outermost and foremost regions, Batam is also established as one of free trade zones in Indonesia. With this establishment, Batam is flooded by foreign products with various well-known and quality brands and one of which is a mobile phone. Nowadays mobile phones are no longer something fancy among students who live in Batam, especially students who have worked. This is common in urban areas where people are generally more brand conscious because they buy products to show prestige and lifestyle (Tanksale, Neelam, & Venkatachalam, 2014). They tend to pay attention to and prioritize the best quality of a product (Sprotles & Kendall, 1986). Even according to Azizi and Makkizadeh (2012) and Gee, Coates, and Nicholson (2008) for this Perfectionistic attitude they are willing to pay a high price. Image is very influential on consumer confidence (Realize, 2018). If consumers already trust a particular product brand it is usually difficult to move to another brand. This is because there is a satisfaction that consumers feel when having a quality product (Jahanshahi, Gashti, Mirdamadi, Nawaser, & Khaksar, 2011). Consumer trust as a source of competitive advantage when trust is understood as behavior or real action (Caldwell & Hansen, 2010) and consumer trust will be one of the capital in competitive advantage (Brahmasari & Panjaitan, 2017). This consumer decision-making style is a description of consumer behavior in the decision-making process to obtain products that meet the standards of their needs (Levy, 1999).

Methodology

The theoretical framework is constructed to answer research problems based on supporting theories (Sugiyono, 2013). Population of this research is private-college students in Batam. The sample is determined by using the Slovin formula with an error tolerance level of 5%. Samples were distributed using proportional sampling techniques. The data used in this research were primary data which were a collection of questionnaire data filled in by a number of respondents (Sekaran, 2003). To measure the scale of attitudes shown by respondents in answering questions, the Likert scale is used (Likert, 1932). The Likert Scale uses a series of statements or questions with five attitude choices namely (1) Strongly agree, (2) Agree, (3) Doubt, (4) Disagree, and (5) Strongly disagree. Data is analyzed based on composite scores from a series of questions that represent the scale of attitude.

Results

Based on the respondents' answers on the questionnaire, the majority of private college students in Batam are not fresh graduates and are working students with income of more than 4 million

rupiahs. This kind of students contributes 63.9% of the respondents which make them the most dominant category. In general, 38.7% of the respondents are private employees and 29.8% of them are enterpreneur.

The results of the data validity test for Perfectionistic variables ranged from 0.621 - 0.738 while for Brand Conscious variables ranged from 0.617 - 0.798. All data are valid because all test results proved to be greater than the r table value of 0.099. The data of reliability test results obtained by the value of Cronbach's Alpha for Perfectionistic variable was 0.852 while the Brand Conscious variable was 0.901. Because the value is higher than 0.6, all instruments are considered reliable. The results of the hypothesis testing are:

1. Partially, the significance value of the Perfectionistic variable is 0.002 and the Brand Conscious variable is 0,000, which means that the two values are lower than the probability value of 0.005. While the t-value of the Perfectionistic variable is 3.417 and the Brand Conscious variable is 4.749 which means higher than the t table value which is 1.966. Therefore, it can be concluded that the hypothesis that the causality relationship in the research model is acceptable.

2. Simultaneously, the regression analysis showed the significance value of 0,000 which means lower than the probability coefficient of 0.05. This means that the hypothesis of the causality relationship in the research model is acceptable. The results of the coefficient of determination testing showed the value of R Square of 0.801 or equal to 80.1%. This value reflects that the Consumer Decision Making Style variable is influenced by the Perfectionistic and Brand Conscious variables of 80.1%.

Findings

Partially, Perfectionistic has an influence on Consumer Decision Making Style of private college students in Batam. Based on field observations, around 53% of respondents stated that the quality of products and the number of features offered were still their priority reason in purchasing mobile phones. Brand Conscious also has an influence on Consumer Decision Making Style of private college students in Batam. This is supported by government policies that stipulate Batam as one of the free trade areas which further make Batam is flooded by cellphones with various well-known and quality brands. Simultaneously, Perfectionistic and Brand Conscious affect Consumer Decision Making Style of private college students in Batam of 80.1%.

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